DEPARTMENT OF AGRICULTURE APPROPRIATIONS FOR 1954

HEARINGS

BEFORE THE

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

EIGHTY-THIRD CONGRESS

FIRST SESSION

UNIV. OF MICH.
MAY 11 1953
LAW LIBRARY

SUBCOMMITTEE ON AGRICULTURE APPROPRIATIONS

H. CARL ANDERSEN, Minnesota, *Chairman*

WALT HORAN, Washington	JAMIE L. WHITTEN, Mississippi
OAKLEY HUNTER, California	CLARENCE CANNON, Missouri
MELVIN R. LAIRD, Wisconsin	FRED MARSHALL, Minnesota

ROSS P. POPE, *Executive Secretary to the Subcommittee*

PART 4

Printed for the use of the Committee on Appropriations

DEPARTMENT OF AGRICULTURE APPROPRIATIONS FOR 1954

HEARINGS

BEFORE THE

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

EIGHTY-THIRD CONGRESS

FIRST SESSION

SUBCOMMITTEE ON AGRICULTURE APPROPRIATIONS

H. CARL ANDERSEN, Minnesota, *Chairman*

WALT HORAN, Washington
OAKLEY HUNTER, California
MELVIN R. LAIRD, Wisconsin
JAMIE L. WHITTEN, Mississippi
CLARENCE CANNON, Missouri
FRED MARSHALL, Minnesota

ROSS P. POPE, *Executive Secretary to the Subcommittee*

PART 4

Printed for the use of the Committee on Appropriations

UNITED STATES
GOVERNMENT PRINTING OFFICE
30505 WASHINGTON : 1953

COMMITTEE ON APPROPRIATIONS

JOHN TABER, New York, *Chairman*

RICHARD B. WIGGLESWORTH, Massachusetts
BEN F. JENSEN, Iowa
H. CARL ANDERSEN, Minnesota
WALT HORAN, Washington
GORDON CANFIELD, New Jersey
IVOR D. FENTON, Pennsylvania
JOHN PHILLIPS, California
ERRETT P. SCRIVNER, Kansas
FREDERIC R. COUDERT, JR., New York
CLIFF CLEVENGER, Ohio
EARL WILSON, Indiana
NORRIS COTTON, New Hampshire
GLENN R. DAVIS, Wisconsin
BENJAMIN F. JAMES, Pennsylvania
GERALD R. FORD, JR., Michigan
FRED E. BUSBEY, Illinois
EDWARD T. MILLER, Maryland
CHARLES W. VURSELL, Illinois
T. MILLET HAND, New Jersey
HAROLD C. OSTERTAG, New York
OAKLEY HUNTER, California
FRANK T. BOW, Ohio
HAMER H. BUDGE, Idaho
CHARLES R. JONAS, North Carolina
OTTO KRUEGER, North Dakota
ROMAN L. HRUSKA, Nebraska
SAM COON, Oregon
MELVIN R. LAIRD, Wisconsin
ELFORD A. CEDERBERG, Michigan

CLARENCE CANNON, Missouri
GEORGE H. MAHON, Texas
HARRY R. SHEPPARD, California
ALBERT THOMAS, Texas
MICHAEL J. KIRWAN, Ohio
W. F. NORRELL, Arkansas
JAMIE L. WHITTEN, Mississippi
GEORGE W. ANDREWS, Alabama
JOHN J. ROONEY, New York
J. VAUGHAN GARY, Virginia
JOHN E. FOGARTY, Rhode Island
ROBERT L. F. SIKES, Florida
ANTONIO M. FERNANDEZ, New Mexico
PRINCE H. PRESTON, JR., Georgia
OTTO E. PASSMAN, Louisiana
LOUIS C. RABAUT, Michigan
SIDNEY R. YATES, Illinois
FRED MARSHALL, Minnesota
JOHN J. RILEY, South Carolina
ALFRED D. SIEMINSKI, New Jersey

GEORGE Y. HARVEY, *Clerk*
KENNETH SPRANKLE, *Assistant Clerk*

DEPARTMENT OF AGRICULTURE APPROPRIATIONS FOR 1954

MONDAY, MARCH 23, 1953.

COMMODITY EXCHANGE AUTHORITY

WITNESSES

J. M. MEHL, ADMINISTRATOR
R. R. KAUFFMAN, ASSISTANT ADMINISTRATOR
D. B. BAGNELL, CHIEF, COMPLIANCE AND TRADE PRACTICE DIVISION
D. A. CURRIE, EXECUTIVE OFFICER
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

SALARIES AND EXPENSES

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$660,800	$725,000	$725,000
Reimbursements from non-Federal sources	366		
Total available for obligation	661,166	725,000	725,000
Unobligated balance, estimated savings	−1,486		
Obligations incurred	659,680	725,000	725,000

NOTE.—Reimbursements from non-Federal sources shown above are from proceeds of sale of personal property (40 U. S. C. 483 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
1. Licensing	$43,518	$43,500	$43,500
2. Supervision of futures trading	349,313	390,000	390,000
3. Audits	135,462	143,000	143,000
4. Investigations	104,273	118,500	118,500
5. Establishment and review of speculative limits	26,748	30,000	30,000
6. Obligations under reimbursements from non-Federal sources	366		
Obligations incurred	659,680	725,000	725,000

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Total number of permanent positions	132	138	136
Full-time equivalent of all other positions		1	
Average number of employees	117	130	130
Average salaries and grades:			
General schedule grades:			
Average salary	$5,033	$5,032	$5,032
Average grade	GS-6.9	GS-7.0	GS-6.9
01 Personal services:			
Permanent positions	$588,361	$653,770	$656,000
Part-time and temporary positions	296	4,680	700
Regular pay in excess of 52-week base	2,284	2,540	2,500
Payment above basic rates	677	800	800
Total personal services	591,618	661,790	660,000
02 Travel	10,016	9,000	9,500
03 Transportation of things	591	1,000	1,000
04 Communication services	11,535	10,800	11,000
05 Rents and utility services	15,324	15,286	15,300
06 Printing and reproduction	15,615	13,300	13,500
07 Other contractual services	2,977	4,300	4,200
Services performed by other agencies	1,365	1,700	1,700
08 Supplies and materials	5,797	5,224	6,000
09 Equipment	4,233	2,000	2,000
15 Taxes and assessments	609	700	800
Obligations incurred	659,680	725,000	725,000

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$43,474	$56,185	$65,185
Obligations incurred during the year	659,680	725,000	725,000
	703,154	781,185	790,185
Deduct:			
Reimbursable obligations	366		
Adjustment in obligations of prior years	1,202		
Unliquidated obligations, end of year	56,185	65,185	65,185
Total expenditures	645,401	716,000	725,000
Expenditures are distributed as follows:			
Out of current authorizations	603,142	662,000	661,000
Out of prior authorizations	42,259	54,000	64,000

Mr. ANDERSEN. Gentlemen, we have before us the Commodity Exchange Authority. We will insert pages 245 through 253 of the justifications at this point, together with a comparison of the original and revised estimates for 1954.

(The pages referred to are as follows:)

PURPOSE STATEMENT

The Commodity Exchange Authority administers the Commodity Exchange Act of September 21, 1922, as amended.

The major objectives of the act are to prevent commodity price manipulation and corners; prevent dissemination of false and misleading crop and market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges on contract markets to cooperative associations of producers; insure trust-fund treatment of margin moneys and equities of hedgers and other traders and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The basic act was designated as the Grain Futures Act and conferred limited authority with respect to futures trading in grains only. By amendment of June 15, 1936, its short-title designation was changed to "Commodity Exchange Act," its regulatory provisions strengthened and extended to cotton, millfeeds, butter, eggs, potatoes, and rice. By amendment of April 7, 1938, wool tops were added to the commodities subject to the act; and fats and oils, cottonseed, cottonseed meal, peanuts, soybeans, and soybean meal were added by the act of October 9, 1940.

At the present time futures trading is conducted in 20 commodities on 18 exchanges. During the 1952 fiscal year trading in all grain futures aggregated 12.6 billion bushels of which wheat accounted for 4,342 million bushels. Trading in cotton futures aggregated 95 million bales. Trading in 10 of the 20 commodities was greater during the year than during the previous year. It is estimated that futures trading in all commodities amounted to $49 billion during the 1952 fiscal year, over twice the value of all transactions in stocks and bonds on all registered securities exchanges.

Federal supervision over futures trading is carried out by licensing commodity exchanges, registering futures commission merchants and floor brokers, reviewing exchange rules and regulations; compiling, reviewing and releasing information on futures trading; auditing brokers' books and records to assure segregation of customers' funds; examining brokers' financial statements; analyzing and appraising futures trading, cash-futures relationships, deliverable supplies, and price movements; establishing and enforcing limits on speculative trading; and investigating and aiding in the prosecution of violations.

These functions are performed through a central organization in Washington and five field offices, located in the commodity markets at Chicago, Kansas City, Minneapolis, New Orleans, and New York. On November 20, 1952, the Commodity Exchange Authority had 125 employees, 39 of whom were stationed in Washington, D. C., and 86 in the field offices.

Appropriated funds:

Appropriated, 1953	$725,000
Budget estimate, 1954	725,000

Salaries and expenses

Appropriation Act, 1953, and base for 1954	$725,000
Budget estimate, 1954	725,000

Project statement

Project	1952	Estimated, 1953	Estimated, 1954
1. Licensing	$43,518	$43,500	$43,500
2. Supervision of futures trading	349,313	390,000	390,000
3. Audits	135,462	143,000	143,000
4. Investigations	104,273	118,500	118,500
5. Establishment and review of speculative limits	26,748	30,000	30,000
Unobligated balance	1,486		
Total appropriation or estimate	660,800	725,000	725,000

Status of Program

OBJECTIVE AND FUNCTIONS

The purpose of the Commodity Exchange Act is to prevent price manipulation and corners and to insure fair practice and honest dealing on commodity exchanges. Enforcement of the act requires supervision over 18 commodity exchanges designated as "contract markets." Enforcement is a continuous process involving:

1. *Market designation and broker registration.*—(*a*) Designation of commodity exchanges as contract markets; (*b*) annual registration of futures commission merchants and floor brokers; and (*c*) continuing review of exchange rules and regulations.

2. *Supervision of futures trading.*—(*a*) Compilation, audit, tabulation and review of trade reports and current market analyses; (*b*) enforcement of speculative limits; (*c*) review of market news and letters; (*d*) maintenance of a quotation and

ticker service; (*e*) analysis of cash commodity transactions; (*f*) cooperative activities with control committees of contract markets; (*g*) observance of floor trading; and (*h*) compilation and publication of market information.

3. *Prevention of misuse of customers' funds.*— (*a*) Audit and examination of records of futures commission merchants and (*b*) analysis of brokers' financial statements.

4. *Investigation and control of trade practices.*— (*a*) Investigation of complaints and alleged and apparent violations; (*b*) trade practice audits and surveys; (*c*) investigation of delivery practices; and (*d*) preparation and presentation of evidence of violations in administrative hearings and judicial proceedings.

5. *Establishment and review of speculative limits.*— Fix and constantly review limits on speculative futures transactions and open contracts on contract markets as may be found necessary to diminish, eliminate or prevent sudden or unreasonable fluctuations in futures prices.

RECENT ACTIVITIES

Markets, commodities, and brokers

The number of contract markets designated under the Commodity Exchange Act remained unchanged at 18 during fiscal 1952. The Chicago Board of Trade was designated for one additional commodity—soybean meal. All told, trading for future delivery was conducted in 20 different commodities, the same as the preceding year. The contract markets and the commodities traded in are listed below:

Market	*Regulated commodity*
Chicago Board of Trade	Wheat, corn, oats, rye, soybeans, lard, cotton, soybean oil, grain sorghums, soybean meal.
Chicago Mercantile Exchange	Butter, eggs, potatoes.
Chicago Open Board of Trade	Wheat, corn, oats, rye, soybeans.
Duluth Board of Trade	(No trading in 1951–52.)
Kansas City Board of Trade	Wheat, corn, bran, shorts, grain sorghums.
Los Angeles Grain Exchange	(No trading in 1951–52.)
Memphis Merchants Exchange Clearing Association.	Cottonseed meal, soybean meal.
Milwaukee Grain Exchange	Wheat, corn, oats, rye.
Minneapolis Grain Exchange	Wheat, oats, rye, flaxseed, soybeans.
New Orleans Cotton Exchange	Cotton, cottonseed oil.
New York Cotton Exchange	Cotton.
New York Mercantile Exchange	Eggs, potatoes, rice, butter.
New York Produce Exchange	Cottonseed oil, soybean oil.
Portland Grain Exchange	(No trading in 1951–52.)
St. Louis Merchants' Exchange	Do.
San Francisco Grain Exchange	Do.
Seattle Grain Exchange	Wheat.
Wool Associates of the New York Cotton Exchange.	Wool tops.

There were 623 futures commission merchants registered, compared with 629 during the previous year. The number of floor brokers registered was 827, compared with 780. As of June 30, 1952, the registered futures commission merchants maintained a total of 1,845 principal and branch offices, and had agents in 226 offices other than their own engaged in soliciting or accepting orders for the purchase or sale of commodities for future delivery. Of the 585 active futures commission merchants registered as of June 30, 1952, for the 1952 calendar year, 308 were partnerships, 162 were corporations and 115 were sole proprietorships.

Bylaws, rules, and regulations, submitted to the Authority by contract markets pursuant to requirements, were reviewed currently and changes proposed whenever necessary to effect compliance with the law.

Registration fees collected from futures commission merchants and floor brokers, which are deposited with the United States Treasury as miscellaneous receipts, totaled $17,684, as compared with $17,110 for the previous year.

Futures trading

Estimated value of trading.—The value of futures trading in regulated agricultural commodities was estimated at $49,179,134,000, an increase of 4 percent over the 1951 total of $47,143,639,000.

Transactions in futures.—Trading activity in all commodities as measured by number of transactions (purchases and sales in terms of contract units) increased by 5 percent over the previous year. In 1952, total transactions were estimated at 8,679,000 compared with 8,257,000 in 1951. The 1952 figure was 42 percent above the 10-year (1942–51) average of 6,096,000.

Volume of trading.—Figures on trading volume given below show the continued high level of activity in 1952, as compared with the previous year:

Volume of futures trading on all contract markets combined, by commodities, fiscal years ended June 30, 1951, and June 30, 1952

Commodity	Unit	1951	1952	Percent of increase or decrease
Wheat	1,000 bushels	4,675,715	4,341,690	−7.1
Corn	do	2,236,588	2,639,639	+18.0
Oats	do	1,617,253	2,239,205	+38.5
Rye	do	576,216	426,587	−26.0
Soybeans	do	2,952,610	2,953,180	(1)
Flaxseed	do	5,607	40,926	+629.9
Grain sorghums	Million pounds	2,309	8,634	+273.9
Rice	1,000 pounds	2,880	320	−88.9
Cotton	1,000 bales	79,067	94,887	+20.0
Wool tops	1,000 pounds	82,780	172,385	+108.2
Butter	Carlots	3,236	8,369	+158.6
Eggs	do	148,811	90,006	−39.5
Potatoes	do	2,627	18,181	+592.1
Cottonseed oil	1,000 pounds	7,331,700	7,989,720	+9.0
Soybean oil	do	3,532,620	2,795,760	−20.9
Lard	do	2,213,080	1,323,880	−40.2
Bran	Tons	406,800	285,390	−29.8
Shorts	do	173,670	161,280	−7.1
Cottonseed meal	do	586,800	584,900	−0.3
Soybean meal	do	2,292,000	1,972,500	−13.9

(1) Less than 0.1 percent increase.

Reports.—A total of 560,510 reports on the volume of futures trading and open contracts was received, tabulated, summarized and analyzed, an increase of 11 percent over the 505,752 reports made in 1951. Of these, 306,142 were reports from brokers on daily volume of trading and open contracts, while 254,368 were from large traders relating to their daily transactions and open positions and weekly positions in cash commodities.

Delivery notices.—During 1952 a total of 30,269 copies of delivery notices were submitted by exchange clearing members, compared with 31,802 in the 1951 year.

Publications.—These included a special statistical bulletin covering data on cotton call sales and purchases for the 5 crop years 1945–50, in addition to the annual commodity futures statistics giving figures on volume of trading, open contracts, prices and other phases of futures trading in all commodities under the act.

A descriptive leaflet on the Commodity Exchange Act and the Commodity Exchange Authority was prepared and in process of being printed at the end of the year.

Speculative limits

Establishment.—On June 30, 1952, the Commodity Exchange Commission announced a public hearing to be held on July 28 to consider the establishment of speculative trading and position limits on cottonseed oil, soybean oil, and lard. In preparation for this hearing a comprehensive survey had been made of the size and character of these markets as well as the effect of speculative trading upon them. Limits are placed upon trading and open positions under the provisions of section 4a of the Commodity Exchange Act. Their purpose is to diminish, eliminate, or prevent excessive speculation causing sudden, unreasonable, or unwarranted price changes. Information submitted at this hearing will be considered prior to the determination and promulgation of such speculative limits. The limits to be established do not apply to hedging transactions or positions. These are the first processed commodities upon which speculative limits are proposed, and pose problems not encountered in connection with limits established hitherto on raw commodities.

Enforcement.—Scrutiny of reports received directly from large traders and from brokerage firms on the activities of large traders continued to be the primary means of obtaining compliance with the orders of the Commodity Exchange Commission. During 1952 there were 28 invididual violations of speculative limits on which corrective action was taken, as compared with 10 in the previous year.

Audits

During the year 594 segregation audits were completed. These audits covered the accounts of 28,884 commodity customers who had to their credit $159,749,240. The average number of accounts per audit is at the highest point since such records have been kept and the average amount to each customer's credit is only slightly below the record figure.

In the course of these audits 369 deviations from the law or regulations were discovered. In most cases corrective measures were made when the deviations were brought to the attention of the brokerage houses. The remainder are under further investigation. During the course of the audits a number of persons were discovered to be acting as futures commission merchants without having been registered. Six hundred and sixteen financial statements were analyzed during the year.

Compliance investigations

Cooperative approach to elimination of abusive trade practices.—A survey of trading on the Kansas City Board of Trade in April 1951 disclosed a number of instances in which brokers acted as both principal and agent in the execution of transactions for customers. While all such trades are prohibited by the Commodity Exchange Act, as well as the exchange rules, in no instance was there evidence that cheating or fraud was involved. It was decided, therefore, to enlist the exchange authorities in an attempt to correct and prevent these practices without the heavy expense and time-consuming process of formal administrative procedure. A meeting was held with the exchange officials in October 1951 and immediately thereafter the exchange passed new regulations and instituted a system of supervision by its own members which should prove of material assistance in the elimination of the improper practices.

Indications of transactions similar to those described above were discovered on the Chicago Board of Trade during the latter part of 1951. Again it appeared that, while there was ample opportunity for the exploitation of customers through brokers becoming principals against their customers' orders, there was no substantial evidence that such exploitation had occurred. Officials of the Chicago Board of Trade were invited to Washington where they were told of the findings. These officials indicated that they would forcefully call to the attention of their members the fact that any continuation of these practices would result in disciplinary action under the Commodity Exchange Act and the exchange rules.

By obtaining cooperation from the exchanges in cases such as those discussed the Commodity Exchange Authority is able to conduct a much more effective and widespread enforcement program than would be possible with its extremely small staff if all cases were handled by administrative or criminal action.

Institution of criminal charges in case involving a second offense.—In contrast to the cooperative approach just discussed the Commodity Exchange Authority was recently faced with an instance in which a firm which had been the subject of an administrative action which was still pending engaged in another apparent violation of the law involving manipulation of the egg market. It appeared that officials of this firm decided to pursue all possible dilatory tactics to delay decision in the administrative action and to spend the time thus gained in again manipulating the market. Upon the second offense, however, the Commodity Exchange Authority decided to attempt the institution of criminal charges instead of again prodeeding with an administrative action. The case was consequently presented to a Federal grand jury and an indictment has been obtained. Comments throughout the trade indicate that the use of the criminal provision of the act in this instance of a flagrant and repeated violation has had a very salutary effect in the egg trade.

It is the policy of the Commidity Exchange Authority to push vigorously administrative or criminal proceedings in cases where willful manipulation or cheating is apparent but to utilize cooperative action by the constructive elements in the trade in preventing or eliminating practices which, although questionable, are less serious and harmful.

Statement of obligations under allotments and other funds

[Includes only those amounts which, by Nov. 30, 1952, were actually received or programed for 1953 or 1954. Since work for other agencies is performed on a service basis, at the request of those agencies and for their benefit, it is not practicable to estimate in advance the amounts to be received in most cases]

Item	Obligations, 1952	Estimated obligations, 1953	Estimated obligations, 1954
Obligations under reimbursements from governmental and other sources: Salaries and expenses	$366		

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Licensing	$43,500	$43,500	$43,500	
2. Supervision of futures trading	390,000	390,000	390,000	
3. Audits	143,000	143,000	143,000	
4. Investigations	118,500	118,500	118,500	
5. Establishment and review of speculative limits	30,000	30,000	5,000	[1] −$25,000
Total available or estimate	725,000	725,000	700,000	−25,000

(1) The proposed reduction of $25,000 in this item below the original budget estimate will be made by deferring in 1954 the establishment of speculative limits on additional commodities. The Commodity Exchange Act contemplates that limits on speculative trading and positions shall be fixed on all commodities and it is contemplated that preliminary work in preparing basic data leading to the establishment of such limits on additional commodities will be carried on as much as possible under existing funds. However, in the absence of pressing demands by farm or trade groups it is believed that the Commodity Exchange Commission would be justified in deferring the imposition of limits on additional commodities, unless newly arising conditions should necessitate such establishment during 1954.

General Statement

Mr. Andersen. Mr. Mehl, do you have a general statement you would like to make at this time? We will be glad to hear from you.

Mr. Mehl. Yes, Mr. Chairman, I would like to make a short statement. I had intended to submit a written statement but I did not get beyond the rough-draft stage. If you will permit me to refer to that, it will be appreciated.

Mr. Andersen. That will be fine.

Mr. Mehl. That will help me a lot and may shorten the record.

I know, Mr. Chairman, that this committee is concerned mainly with appropriations and with the effective use of funds but we do not get an opportunity very often to discuss our work with Members of the Congress; so if I may, I would like this morning to talk a little about the nature and importance of the futures markets and the need for regulation.

Mr. Andersen. I wish, Mr. Mehl, for the information of the new members of this subcommittee, you would commence with a short résumé of what you do.

Mr. Mehl. Yes, sir.

Mr. ANDERSEN. You administer the Commodity Exchange Act of September 21, 1922, as amended. What are the main objectives of that act?

PURPOSE OF COMMODITY EXCHANGE ACT

Mr. MEHL. The main purpose of that act is to regulate futures trading in certain commodities on the commodity exchanges in the United States. At the present time, it includes all of the grains, soybeans, butter and eggs, cotton, and so on. There are about 20 commodities that are covered by the act.

There are 18 commodity exchanges that are designated as contract markets under authority of the act. In order to be designated as a contract market, the exchanges must comply with certain requirements in the act. They must provide for the prevention of manipulation and corners as far as they can by rule. They must not discriminate against the admission of cooperative associations to membership. Incidentally, that is now an almost forgotten provision in the act but it was very, very important at the time the Grain Futures Act was enacted in 1922. This is still the basic part of the law now called the Commodity Exchange Act. The purpose of the act is to prevent and punish price manipulation, corners, and certain trade practices that lend themselves to cheating or manipulation, to prevent cheating or defrauding of commodity customers, to prevent the dissemination of false and misleading market and crop information that tends to affect prices, and to prevent the bucketing of orders. It outlaws bucket shops, wash sales, and other fictitious transactions.

I have a little leaflet here, Mr. Chairman, that I will be glad to distribute. It is an attempt to boil down in a few words the substance or the most important essence of a law that is 4,000 words long. We got it out particularly for the use of county agents, marketing specialists, and extension workers who like to be informed in general regarding the Commodity Exchange Act but do not have the time, of course, to analyze a long law.

I would call your attention to the last page. In line with Mr. Whitten's great interest in our economy efforts, I would point out that this publication sells for 5 cents at the Government Printing Office.

Mr. WHITTEN. You have earned a very fine reputation.

Mr. MEHL. While as I said, it was gotten out for special use of extension workers, we were rather surprised and pleased when one of the commodity exchanges ordered 2,000 copies. We only had 15,000 copies printed and are having a second printing. It is about the nearest thing we have had to a best seller.

Mr. ANDERSEN. Mr. Mehl, I hope that the subcommittee will have the opportunity some time to inspect the various commodity exchanges. I think it would be very worthwhile to look into them.

Mr. MEHL. I think that would be very fine.

Mr. ANDERSEN. We may get in touch with you and arrange to have that done.

Mr. MEHL. I wish you would do that and let our field offices help you where they can in arranging a schedule.

As I indicated, my statement today is not going to have very much to do with money. I want to try to tell you a little bit about the nature of these futures markets and their importance and why they need to be regulated.

COMMODITY EXCHANGES AND FUTURES TRADING

I suspect, Mr. Chairman, and gentlemen, that during the next few years we will be giving more and more attention to marketing and market facilities. I think we shall want to keep our agricultural commodities moving smoothly into both domestic and foreign channels of trade. In any review of our marketing machinery, we must consider how the commodity exchanges and futures trading fit into the picture. Do we need futures markets? Do we need the speculation which is such an inseparable part of futures trading? If so, do we need Federal regulation of these markets?

There are a great many who would say "No" to all three questions. Some would say "Keep the futures market but stop speculation." Still others would say "The more speculation, the better; let us remove all regulation." As you might surmise, I do not subscribe fully to the latter view.

I believe we need futures markets for certain staple and storable commodities and that in this connection, we must accept speculation as a necessary element. A futures market without speculation, and without rather broad public participation, is something less than an empty shell. Such a market can become a tool whereby a few large dealers by making a few small sales at a loss can establish price quotations on which to base their larger purchases of the actual commodities made outside of the exchange. Such a futures market is worse than none.

The members of this committee may have a pretty good understanding of futures trading and futures markets and the part played by speculation. But there are very many people who do not. I recall that in one of our annual reports, one of the early annual reports of the Grain Futures Administration, we said that one of the purposes of Congress in passing the Grain Futures Act was to take the mystery out of grain futures. Within reasonable limits and with a reasonable expenditure of funds, I believe we have done a fairly good job in policing these markets and ridding them of manipulation and corners and fraudulent practices. But I must admit that, after all these years, there are still a lot of people, both farmers and city people, who regard the futures market as a somewhat mysterious and perhaps unnecessary adjunct to marketing.

HEDGING IN FUTURES MARKET

Mr. ANDERSEN. Mr. Mehl, it would be very difficult, would it not, for a small country elevator to provide the sort of a market it should to the neighboring farmers unless it was able to cover its purchases each day by futures trading?

Mr. MEHL. That is correct, for farmers' elevators and dealers and processors generally.

Mr. ANDERSEN. They just cannot afford to take the risk involved in holding that grain between the time they take it over and the time

they get it to the terminal market. They must be able to know that they are protected to that extent from the very hour they purchase the commodity.

Mr. MEHL. Yes, and hedgers will not venture into the futures market unless they know they can lift their hedges readily and quickly without affecting prices.

Mr. ANDERSEN. I know personally, having been a farmer for a good many years, that if I was not satisfied with what I obtained for my barley or oats when I sold it in August, I would simply sell it and buy futures for the same amount, perhaps May futures, if they were open. At any time during the coming winter I would sell them again and in turn get my cash. That way I did not have to bother about blocked roads in winter. If the average farmer knew how to handle that by hedging, they could benefit very greatly.

Mr. MEHL. Of course, some of them might not do it the way you did. If they were very successful, some of them might want to go in a little deeper the next time, and buy more futures than they could handle.

Mr. ANDERSEN. They can go into the speculation field and get caught.

Mr. MEHL. That is right. For some reason the stock market seems to be better understood generally than the commodity-futures markets.

Mr. ANDERSEN. I do not think 10 percent of the farmers in America know the benefits which can be obtained through the futures markets if they saw fit to use them.

SIMILAR CHARACTERISTICS OF TRADING IN COMMODITY AND SECURITY FEATURES

Mr. MEHL. Trading in commodities for future delivery is quite different from trading in stocks, but there are certain obvious characteristics that are common to trading in both stocks and commodities:

1. They depend largely on speculation for volume and for maintaining active and fluid markets and continuous price quotations;
2. They are fast moving and are extremely sensitive to news of all kinds having price significance;
3. The opportunity to trade is wide open to public participation. Anyone can trade who can put up the necessary margins;
4. Customers are required to place a high degree of trust in the brokers and brokerage firms who handle this kind of business; and
5. Both the stock markets and the commodity-futures markets are importantly tied into the financial and marketing structure of our economy.

SPECULATION IMPORTANT FACTOR

Speculation is an even larger and more important factor in commodity futures than in stocks. A certain amount of trade in securities is with a view primarily to earning dividends or interest on invested capital. Profits from trading in commodity futures depend entirely upon price changes.

Constantly recurring corners, market manipulations, and trading abuses in the commodity markets, such as we had prior to the enactment of the Commodity Exchange Act, are more vicious and affect more people than those which led to Federal regulation of the stock exchanges in 1934. Many farmers as well as city people, who have no funds to invest in stocks, are vitally affected by what happens in the commodity markets.

There is no doubt that speculation in commodity futures, separate and apart from market manipulation, does at times accentuate price movements both upward and downward. Feverish mob buying, followed by price collapse and panic selling, does much harm and no good. But I believe we must recognize that, by-and-large, speculation free from market manipulation, serves a useful economic function. It provides a fluid market for hedgers, that is, merchants and processors who use these markets to offset price risks, which they otherwise would have to carry themselves. This enables them to operate on smaller margins of cost. It tends to sharpen competition. It also focuses in one place all supply and demand factors that bear on price and enables farmers by means of radio and newspapers to learn almost instantly of any market change.

VALUE OF BROAD MARKET

There is reason to believe that a much larger volume of speculation can be absorbed by a broad futures market, without disturbing prices than can be absorbed by a spot market. Also, I believe that if speculation in commodity futures were limited to those engaged in regular trade, the possibilities of manipulative effect upon prices would be greatly increased.

In this connection, we need to remember that speculation in commodities does not originate with the establishment of futures markets. Conversely, speculation in commodities such as wheat, cotton, and corn cannot be stopped by stopping trade in futures. Overzealous proponents of futures trading sometimes claim that futures trading was invented in order to provide hedging protection. This is not true. It developed rather in response to the need for a more convenient and flexible media for speculation than was afforded by time contracts, that is, private agreements to sell the actual commodity for forward delivery or shipment. Speculation in such contracts existed in large volume in grains, on the Chicago Board of Trade for example, long before there was trading in futures in the modern sense.

NEED OF REGULATION

This may strike you as a somewhat irrelevant and unnecessary prelude to discussing the budgetary needs of the Commodity Exchange Authority. But, if it makes sense, it may also suggest the need for maintaining the kind of regulation that, on the one hand, will protect the public in the use of these markets and, on the other, will protect these markets from self-destruction. This happened in Germany, I believe, and in many other parts of the world. There are few of them left, outside of the United States.

BASIC AUTHORITY

Mr. ANDERSEN. What is your basic authority for control? Place it in the record at this point, please.

(The information requested follows:)

The basic authority is the Commodity Exchange Act (formerly cited as the Grain Futures Act) of September 21, 1922 (42 Stat. 998), as amended June 15, 1936 (49 Stat. 1491), April 7, 1938 (52 Stat. 205), October 9, 1940 (54 Stat. 1059), December 19, 1947 (61 Stat. 941), June 25, 1948 (62 Stat. 991), and May 24, 1949 (63 Stat. 107); 7 U. S. C. 1–17a .

INDIAN GOVERNMENT IMPRESSED BY COMMODITY EXCHANGE OPERATIONS

Mr. MEHL. May I add just one more comment. Last year we had a special representative of the Indian Government here. He spent many weeks in our offices, about a month in our Washington office, and in our field offices studying the application of the Commodity Exchange Act to futures trading. He told us that before World War II there were many small futures exchanges in India that had been closed by the Indian Government because of speculative abuses. The Indian Government recognized the value of these markets as an aid in marketing but was reluctant to let them reopen except under strict government regulation. When he left, after visiting our field office and many of the commodity exchanges in the United States, he told us that as a result of his study that he would recommend to his government a form of regulation patterned as far as possible after the Commodity Exchange Act.

That completes my statement, Mr. Chairman.

SPECULATIVE LIMITS

Mr. ANDERSEN. What use did you make of the $63,000 increase we allowed you last year, Mr. Mehl?

Mr. MEHL. May I ask Mr. Kauffman to take up at this point?

Mr. ANDERSEN. If you wish.

Mr. KAUFFMAN. The increase in expenditures this year will reflect costs of enforcement of speculative limits established on cottonseed oil, soybean oil, and lard futures and pay adjustment costs.

INFORMATION AND ADMINISTRATION

Mr. ANDERSEN. How many people do you have engaged in information and administrative work both in Washington and the field?

Mr. MEHL. I believe Mr. Currie can answer that. We have none——

Mr. CURRIE. None in information work per se.

Mr. ANDERSEN. Who, for example, prepared this little pamphlet?

Mr. MEHL. We have a man who works in our Trading and Reports Division who has responsibility for preparing, getting material from various divisions for our annual reports. This particular publication, however, was started and written in large part by the Chief of the Division.

Mr. ANDERSEN. But strictly speaking you have no information people connected with the organization?

Mr. MEHL. That is correct. The man I first mentioned handles what few press releases we have and also does the editorial work on

the annual report in addition to his other duties in the Trading and Reports Division.

Mr. ANDERSEN. Now as to the administrative end, how is your organization set up?

Mr. CURRIE. Mr. Chairman, we have an average of 12 employees engaged on administrative work, Washington, and the field. These employees handle all the activities with respect to budget, fiscal, personnel, property management, records management, and the miscellaneous administrative matters that need to be carried on in the agency.

Mr. ANDERSEN. Do you have anything to do with films and motion pictures in your bureau at all?

Mr. CURRIE. No.

MANDATORY PROVISIONS OF ACT

Mr. ANDERSEN. I asked you a question about the basic authority. I wish you would put in a short statement as to whether any portion of your authority is based, any portion of your work is permissive or not or whether you operate entirely along a mandatory line.

Mr. MEHL. I have a statement here which covers that. It has one section that lists those provisions of the Commodity Exchange Act that are mandatory by specific language in the act. It lists in another section those provisions which are mandatory in the sense that they are necessary to enforcement, and in still another section are listed the provisions which are permissive.

Mr. ANDERSEN. I wish you would insert that in the record at this point.

(The information requested follows:)

MANDATORY PROVISIONS

The following provisions of the Commodity Exchange Act are mandatory by virtue of the language of the act:

Section 4a: The Commodity Exchange Commission shall, after hearing, fix such limits on speculative trading as it finds necessary to diminish, eliminate, or prevent burdens on interstate commerce due to price fluctuations caused by excessive speculation.

Section 4f: Persons desiring to register as futures commission merchants or floor brokers shall be registered upon application. The application shall be in the form and manner and shall contain such information as the Secretary may prescribe. Since the duty to register upon application is mandatory, we must conclude that the Secretary is required to prescribe the form and manner of the application and the information to be contained therein.

Section 5: Directs the Secretary to designate a board of trade as a contract market when, and only when, certain conditions are found to exist. This requirement imposes upon the Secretary the corollary duty of investigating in order to determine whether the specified conditions do or do not exist. In connection with such investigation, the Secretary would be required, in two instances, to do more than merely determine the existence or nonexistence of a condition. Under section 5 (a) he would be required to approve or disapprove the inspection service available at such market, and he would also be required to approve or disapprove board of trade terms and conditions for delivery if the applicant for designation were located at a place other than a terminal market.

Section 5a (4): The Secretary shall, by order, provide for periods during which commodities may be delivered after trading in futures has ceased if he finds, after hearing, that such provision will prevent squeezes or congestion.

Section 5a (5): The Secretary shall, by order, require longer periods of notice of delivery than those established under contract market rules if he finds, after hearing, that such longer period is necessary to prevent unfair practices.

Section 6a: The Commodity Exchange Commission must hold a formal hearing if a contract market seeks to exclude a cooperative association from membership.

Section 7: The Secretary shall order vacation of the designation of a board of trade as a contract market upon proper application.

Section 8: The Secretary shall investigate marketing conditions, and furnish information concerning supply, demand, and prices to producers, consumers, and distributors. The Secretary shall, upon request by a congressional committee, furnish to the committee and make public information concerning traders.

NECESSARY TO ENFORCEMENT

The language in which the following provisions are phrased is not mandatory but the provisions must be construed to be mandatory if they are to have any effect:

Section 4c: The Secretary must examine and either disapprove or fail to disapprove contract market rules with respect to transfer trades or office trades.

Section 4d (2): Requires registered futures commission merchants to handle customers' funds in a specified manner and permits them to be invested subject to the Secretary's approval. These safeguards impose upon the Secretary an affirmative duty to see that these provisions are observed. He could not, for example, refuse to pass upon the sufficiency of negotiable warehouse receipts upon the security of which a futures commission merchant desired to make loans.

Sections 6 (a) and 6b: The Commission is authorized to proceed against a board of trade for any violation of the act or any failure to observe the requirements set forth in section 5, and to suspend or revoke such designation or issue a cease and desist order. Under section 5, a board of trade is entitled to enjoy the status of a contract market only so long as it continues to meet the conditions and requirements set forth. These requirements, together with those contained elsewhere in the act, would be entirely meaningless unless there is an affirmative duty upon the Commission to proceed to revoke a designation in a case where the board of trade is no longer entitled to enjoy the status of a contract market. In our opinion, the Secretary would be under a similar duty to determine, from time to time, whether the conditions set forth in section 5, under which the original designation was made, are still in effect and to report to the Commission if he finds that they are not.

Section 6 (b): Authorizes the Secretary of Agriculture to proceed administratively against any person other than a contract market for violation of the act, and to suspend or revoke registrations or deny trading privileges. All of the provisions of the act which impose duties and obligations upon futures commission merchants, brokers, and traders, would be defeated unless the Secretary be held to have an affirmative duty to take administrative action against a violator in a proper case.

Section 8a (3): Authorizes the Secretary to suspend or revoke the registration of a futures commission merchant who knowingly accepts orders from a person to whom trading privileges have been denied. The same considerations apply to this section as those expressed above.

In our opinion, sections 6 (a), 6b, 6 (b), and 8a (3) are couched in permissive language in order to make it possible for the Commission or the Secretary to dispose of a violation by entering into a stipulation of compliance or by similar steps less drastic than the institution of formal proceedings. They also permit the Commission or the Secretary, after a proceeding has been instituted and the violations are found to have been committed, to impose a sanction less severe than an effective suspension, revocation or denial of trading privileges. Obviously, such flexibility is necessary if administration of the act is to be effective. These sections cannot be construed to authorize the Secretary or the Commission to adopt the viewpoint that no formal proceedings need be instituted against any violator. Such an interpretation would emasculate the entire statute.

PERMISSIVE PROVISIONS

The following provisions of the Commodity Exchange Act are permissive and the Secretary may or may not proceed to take the indicated action, as he sees fit:

Section 4i: Authorizes the Secretary to establish limits for purposes of reporting by traders whose transactions exceed such limits. While the section refers to such limits "as shall be fixed * * * by the Secretary," we believe the use of the term "shall" is a matter of future tense rather than a mandate.

Section 8: The Secretary may make investigations concerning, and publish the results of, operations of boards of trade or of persons found guilty of violating the provisions of the act. He may also disclose and make public the names and addresses of traders and other information relating to their transactions.

Section 8a (2): The Secretary may refuse to register an applicant as a futures commission merchant or floor broker if the applicant is under suspension or his registration has been revoked.

Section 8a (6): The Secretary may investigate and publish the facts concerning any transaction or market operation which, in his judgment, is against the public interest.

USE OF BUSINESS MACHINES

Mr. ANDERSEN. What about IBM machines? How many of those do you have in your organization?

Mr. CURRIE. We have IBM equipment, Mr. Chairman, in our Chicago office and in our New York office.

Mr. ANDERSEN. Do you have any machines that are not being fully utilized?

Mr. CURRIE. No. A survey was made some time back showing the utilization of those machines and at that time the survey indicated they were being utilized in connection with our daily reports and weekly and monthly reports of which we have a considerable number.

Mr. ANDERSEN. All right.

Mr. MEHL. I have a statement on that if you want it for the record.

Mr. ANDERSEN. It would be well to have that inserted at this point.

(The material referred to follows:)

MECHANICAL OFFICE EQUIPMENT AND BUSINESS MACHINES IN RENTAL STATUS AS OF DECEMBER 31, 1952

Given below is a summary of the mechanical office equipment and business machines in the Commodity Exchange Authority which were in rental status as of December 31, 1952.

Type of machine	Number of each type of machine	Company owning machine	Annual rental rate[1]
No. 405 alphabetical accounting	2	IBM	$8,712.00
Digit selector	4	IBM	528.00
Class selector	2	IBM	132.00
Automatic carriage	1	IBM	264.00
High-speed attachment	2	IBM	660.00
No. 513 automatic reproducing punch	1	IBM	1,320.00
No. 016 duplicating punch	1	IBM	237.60
No. 031 alphabetical duplicating punch	4	IBM	1,320.00
No. 080 horizontal sorter	2	IBM	1,056.00
No. 077 collator	1	IBM	1,056.00
Total			15,285.60

[1] Includes Federal excise tax.

Material furnished Office of Budget and Finance in response to memorandum of Jan. 23, 1953.

BRIEF EXPLANATION OF GENERAL PROGRAM PURPOSES

Used for tabulating trading information from approximately 600,000 required reports received each year from traders and futures commission merchants, and for special market and trade practice surveys necessary for the enforcement of the Commodity Exchange Act.

DANIEL A. CURRIE, *Executive Officer.*

VIOLATIONS AND COMPLIANCE PROCEEDINGS

Mr. HORAN. What is the total number of infractions with which you have dealt in the last year?

Mr. MEHL. The number of violations of the act? Mr. Bagnell is here. He is Chief of our Compliance and Trade Practice Division.

Mr. BAGNELL. We worked on 63 alleged violations, Mr. Horan. Of those, in the case of 12 we found no actionable irregularity of any kind; we disposed of 19 by warning letters, 10 by conferences, 6 by formal stipulations of compliance, and we had 7 that involved something a little more serious. We have two criminal cases in process now. We have 5 administrative actions looking toward the denial of the markets to these people, and we have 9 that are still in process of investigation. We have had a little flurry of that stuff this year, a little more than we have had previously. One of these criminal cases is quite important. It involves manipulation of the egg market by a group where we have to prove conspiracy because no one of the persons by himself had enough to influence the market. We got a criminal indictment in New York on them. The case was moved to Chicago for trial, and we expect it to come up sometime in the fall.

REGISTRATION RECEIPTS

Mr. HORAN. What was your income last year?

Mr. MEHL. $17,684 from registration fees.

Mr. HORAN. Is that the total amount from registration and licensing?

Mr. MEHL. Yes, sir.

VOLUME OF FATS AND OILS TRADING

Mr. WHITTEN. Mr. Mehl, you mentioned that extra $63,000 was spent setting up trading limits on soybean oil, cottonseed oil, and lard. What was the volume of trading in those during the past year? I want the record to show the volume of the operation.

Mr. KAUFFMAN. The volume of trading in cottonseed oil the last fiscal year was 7,989,720,000 pounds. The volume of trading in soybean oil for the past fiscal year was 2,795,760,000 pounds. The volume of trading in lard for the same period was 1,323,880,000 pounds.

Mr. WHITTEN. What I wanted to point out was that due to your controls and support prices there are only slight variations in prices of certain of the old-established commodities, and this causes speculation frequently in those commodities that are not controlled. This gives you a problem of also keeping an eye on commodities that you don't regulate with reference to trading in futures, does it not?

Mr. MEHL. That is right.

WOOL-TOPS MARKET

Outside of oils, the next thing that we would want to cover is the wool-tops market. There has been some complaint about prices being affected by speculation in wool tops. Of course, we have a rather strange situation there. Wool tops, which is the semiprocessed ropelike product after cleaning, scouring, carding, and combing, is

under the Commodity Exchange Act. Grease wool is not. We had futures trading in wool tops before there was trading in grease wool. After the wool-tops market was put under the Commodity Exchange Act, trading started in grease wool. So that we have wool tops under the act and grease wool is not under the act.

BUTTER AND EGG MARKET

Mr. LAIRD. The other day I was sitting with the Dairy Subcommittee of the Agricultural Policy Committee of the House. At that time there were several witnesses who brought up the fact that on the New York butter market sales of 5 to 10 cases of butter set the market on many days. I just wondered about this practice. What can be done about it.

Mr. MEHL. I do not know. The butter market is another market that gets very thin at times. Other times there is very good trading in it. I am not aware of any unusual activity in the butter market recently. Perhaps I missed something. Mr. Bagnell, have you any information on this?

Mr. BAGNELL. I do not think there has been anything unusual recently but it is a fact we have observed that trading on the spot board has apparently been used at times to fix an artificial price. Those prices are disseminated, not only in butter but eggs also. A fairly small number of contracts will be traded on the board. The resulting price appears in the trade publications and is the basis on which trades are made on the street later in the day. We took a little corrective action in connection with eggs last year. We found that there had been quite a few instances where people would place a bid or an offer just as the closing bell rang so that in that split second the bid or offer could not be accepted and it might be 2 or 3 cents up or down from the market. Nevertheless, that was quoted and did influence prices paid to the producer and by the consumer. We got the exchange by informal conferences to extend the time for a few seconds after the bell rang so that any unsatisfied bid or offer could be accepted and that killed this thing of deliberately bidding 2 or 3 cents away from the market, because under the new arrangement you knew you were going to get the stuff you bid for. We watch that pretty steadily and do not have the final solution to it by any means. But you are right, that sometimes a relatively small volume of trade influences the price on those little thin markets.

Mr. LAIRD. It seemed to me when I sat back in Wisconsin and I used to watch the butter market and I still do, that I had the idea that it was being set by sales of carload lots. When I found that 4 or 5 cases set the market for a given day and that this was the price that was used all over the country, I began to wonder about this market.

Mr. BAGNELL. That is not the exact price that is used. It is used as a basis, though.

Mr. LAIRD. It is, everything is based upon it.

Mr. BAGNELL. It may be over or under that. We are having a hearing on a fellow right now who bid up the price of eggs, checks, cracked eggs, because he was mad at the man who bought most of the checks and wanted him to pay 3 more cents than he would have had to pay otherwise. It was just a frivolous action but that 3-cent raise appeared on the official quotation that day and influenced prices

all over the United States. No eggs changed hands at all as the result of this man's bid, but prices paid by others were directly affected by the resulting published quotation.

Mr. MARSHALL. Some people have complained to me that Proctor & Gamble, Palmolive-Peet, and Lever Bros., who process by far the largest percentage of fats and oil, have entered into a conspiracy in purchasing. Does that come under your Department?

Mr. MEHL. If it is in the nature of a corner involving the futures markets; yes, sir.

Mr. MARSHALL. If it is direct purchase, it does not?

Mr. MEHL. If their purchases are off the exchanges, it would be outside of our jurisdiction.

Mr. ANDERSEN. That will be all, gentlemen. Thank you for your presentation. We will adjourn until tomorrow morning.

MONDAY, APRIL 13, 1953.

FEDERAL CROP INSURANCE CORPORATION

WITNESSES

J. W. BRAINARD, MANAGER, FEDERAL CROP INSURANCE CORPORATION
W. H. ROWE, CHIEF, PROGRAM DEVELOPMENT DIVISION, FEDERAL CROP INSURANCE CORPORATION
E. H. NIKKEL, CHIEF, SALES DIVISION, FEDERAL CROP INSURANCE CORPORATION
C. A. FRETTS, CHIEF, FINANCE DIVISION, FEDERAL CROP INSURANCE CORPORATION
M. ELDON COLBY, CHIEF, UNDERWRITING DIVISION, FEDERAL CROP INSURANCE CORPORATION
G. E. EVANS, BUDGET OFFICER, FEDERAL CROP INSURANCE CORPORATION
CHARLES L. GRANT, CHIEF, DIVISION OF ESTIMATES AND ALLOTMENTS, OFFICE OF BUDGET AND FINANCE, DEPARTMENT OF AGRICULTURE

OPERATING AND ADMINISTRATIVE EXPENSES

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$7,949,911	$8,500,000	$7,948,000
Transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," pursuant to 66 Stat. 335		552,200	
Adjusted appropriation or estimate	7,949,911	7,947,800	7,948,000
Reimbursements from non-Federal sources	1,281	1,500	1,500
Reimbursements from other accounts	5,394		
Total available for obligation	7,956,586	7,949,300	7,949,500
Unobligated balance, estimated savings	−1,929,145		
Obligations incurred	6,027,441	7,949,300	7,949,500

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. Insurance and actuarial structure	$794,229	$959,700	$844,400
2. Contract sales and servicing	2,446,009	3,060,375	3,134,600
3. Commissions	347,268	763,725	603,500
4. Premium collections	538,038	924,000	925,000
5. Crop inspections and loss adjustments	1,895,222	2,240,000	2,440,500
6. Obligations under reimbursements from non-Federal sources	1,281	1,500	1,500
Total direct obligations	6,022,047	7,949,300	7,949,500
Obligations Payable Out of Reimbursements From Other Accounts			
1. Insurance and actuarial structure	755		
2. Contract sales and servicing	2,325		
4. Premium collections	512		
5. Crop inspections and loss adjustments	1,802		
Total obligations payable out of reimbursements from other accounts	5,394		
Obligations incurred	6,027,441	7,949,300	7,949,500

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	702	615	611
Full-time equivalent of all other positions	330	302	306
Average number of all employees	751	881	895
Average salaries and grades:			
General schedule grades:			
Average salary	$4,260	$4,410	$4,411
Average grade	GS–5.8	GS–6.0	GS–6.0
Personal service obligations:			
Permanent positions	$2,287,974	$2,570,770	$2,619,833
Part-time and temporary positions	775,120	1,021,660	1,035,474
Regular pay in excess of 52-week base	7,441	9,344	10,013
Payment above basic rates	1,313		
Payments to other agencies for reimbursable details	9,631		
Total personal service obligations	3,081,479	3,601,774	3,665,320
Direct Obligations			
01 Personal services	3,078,830	3,601,774	3,665,320
02 Travel	699,704	872,136	880,780
03 Transportation of things	16,614	21,000	21,800
04 Communication services	29,460	37,900	39,400
05 Rents and utility services	121,370	141,000	151,000
06 Printing and reproduction	84,224	165,000	165,000
07 Other contractual services:			
Advances to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938"	376,985	595,100	575,040
"Local administration, sec. 388, Agricultural Adjustment Act of 1938"	1,379,515	2,260,400	2,180,160
Services performed by other agencies	139,550	123,400	133,400
Other	16,520	30,500	33,200
08 Supplies and materials	40,662	54,500	57,000
09 Equipment	22,604	26,500	26,500
13 Refunds, awards, and indemnities: Awards for employee suggestions	200		
15 Taxes and assessments	15,809	20,090	20,900
Total direct obligations	6,022,047	7,949,300	7,949,500
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	2,649		
02 Travel	1,430		
06 Printing and reproduction	1,315		
Total obligations payable out of reimbursements from other accounts	5,394		
Obligations incurred	6,027,441	7,949,300	7,949,500

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$787,019	$714,469	$915,569
Obligations incurred during the year	6,027,441	7,949,300	7,949,500
	6,814,460	8,663,769	8,865,069
Deduct:			
Reimbursable obligations	6,675	1,500	1,500
Adjustment in obligations, end of year	73,097		
Unliquidated obligations, end of year	714,469	915,569	910,569
Total expenditures	6,020,219	7,746,700	7,953,000
Expenditures are distributed as follows:			
Out of current authorizations	5,306,969	7,034,700	7,040,000
Out of prior authorizations	713,250	712,000	913,000

Mr. ANDERSEN. The committee will come to order.

Gentlemen, we have before us Mr. John W. Brainard and his associates of the Federal Crop Insurance Corporation.

We will, first, insert in the record pages 254 through 256 and 267 through 274 of the justifications, together with a comparison with the original and revised estimates

(The pages referred to follow:)

PURPOSE STATEMENT

The Federal Crop Insurance Corporation was created February 16, 1938, to furnish protection for the farmer's investment in producing crops against loss from unavoidable causes (7 U. S. C. 1501–1519). It is part of the general program of the United States Department of Agriculture administered for the benefit of agriculture, and promotes the national welfare by improving the economic stability of agriculture through a sound system of insurance protection.

The main objective of the crop insurance program is to provide farmers with a measure of financial security against production risks which cause unavoidable loss from such causes as drought, flood, hail, wind, frost, winter kill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, and plant disease.

It has been necessary in past years of widespread catastrophe for the Government to furnish financial assistance to stricken farmers in order to sustain this important phase of the national economy and to aid the farmers in maintaining their operations. Through the medium of crop insurance a well-regulated plan is in effect in the important producing areas whereby farmers, through systematic savings in good years, accumulate a reserve for such catastrophes. Consequently the demand for public funds for the alleviation of their financial condition is lessened when an insurance reserve is available to draw on.

In accordance with the established policy of gradual expansion, the 1953 crop insurance program is being offered in 922 counties on wheat, cotton, flax, corn, tobacco, beans, citrus, and multiple crops. It is estimated that 405,000 farmers will be insured, an increase of about 64,000 over 1952. Under current legislation expansion to new counties is not provided for the 1954 crop year. However, it is estimated that for the 1954 crop year there will be 420,000 contracts in force, or a net increase of 15,000 over the 1953 program.

Summary of insurance operations and changes in capital

	Fiscal years		
	1952	1953	1954
Net capital at beginning of year	$30,700,254	$28,393,237	$28,895,970
Additions to capital during the year:			
Insurance premiums (net)	19,106,859	21,215,333	24,995,900
Interest and other income	186,779	200,000	200,000
Total capital available for insurance operations during year	49,993,892	49,808,570	54,091,870
Deductions from capital during the year:			
Insurance indemnities	21,427,834	20,700,400	22,496,300
Adjustment for prior crop years	−21,179		
Provision for estimated bad debts	194,000	212,200	250,000
Total deductions from capital	21,600,655	20,912,600	22,746,300
Net capital at end of year	28,393,237	28,895,970	31,345,570

The crop insurance programs are developed and analyzed in the headquarters office and are administered in the field through 33 State offices and through cooperative agreements with the Production and Marketing Administration. Program accounting and contract servicing functions are performed by a branch office in Chicago. As of November 30, 1952, the Corporation employed 544 full-time employees, 128 of whom were in Washington and the balance in the field; and 577 part-time employees, of whom 2 were in Washington and the balance in the field. The 2 Washington part-time employees are Board members who are not otherwise employed by the Government.

Appropriated funds (operating expenses):	
Appropriated, 1953	$8,500,000
Revised budget estimate, 1954	7,350,000

Operating and administrative expenses

Appropriation act, 1953	$8,500,000
Budget estimate, 1954	7,350,000
Decrease	−1,150,000

Summary of decreases, 1954

Decrease for servicing, collecting premiums, inspecting growing crops, and adjusting losses	−$19,530
Decrease in developmental, introductory, and sales cost	−78,270
Decrease representing savings accomplished in fiscal year 1953, primarily resulting from fewer number of crop year 1952 contracts requiring servicing in the fiscal year 1953	−1,052,200

Project statement

Project	1952	1953 (estimated)	Increase or decrease	1954 revised (estimated)
1. Insurance and actuarial structure	$794,229	$842,670	−$39,170	$803,500
2. Contract sales and servicing	2,446,009	2,979,180	−296,380	2,682,800
3. Commissions	347,268	642,600	−39,100	603,500
4. Premium collections	538,038	946,450	−36,920	909,530
5. Crop inspections and loss adjustments	1,895,222	2,036,900	+313,770	2,350,670
6. Reserve resulting from fewer number of crop year 1952 contracts requiring servicing in fiscal year 1953 than originally estimated, and other savings		[1] 1,052,200	−1,052,200	
Unobligated balance	1,929,145			
Total appropriation or estimate	7,949,911	8,500,000	−1,150,000	7,350,000

[1] This amount was transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," pursuant to Public Law 451, approved July 5, 1952, for the control and eradication of an outbreak of vesicular exanthema, in connection with which an emergency was declared by the Secretary of Agriculture on Aug. 1, 1952.

STATUS OF PROGRAM

There will be no major changes in the crop insurance program for crop year 1953. Operating efforts are being directed toward increasing participation in the present counties, extending the program to 48 additional counties (or a total of 922 counties), improving administration and reviewing and analyzing the results of changes already instituted. A few of the changes that have been made, but for which it is still too early to make proper evaluation, are:

1. Introduction of the sharecropper plan for cotton insurance under which the landlord signs insurance applications for himself and all sharecroppers that may be farming for him. This plan should materially reduce the number of contract cancellations, facilitate the collection of premiums, and generally improve administration. This plan was first introduced in crop year 1952 so the results are inconclusive. This plan will also be tried experimentally in a few tobacco counties beginning with crop year 1953.

2. Use of a system of preplanning under which county and State administrators develop presales campaign goals. Review of these goals is enabling operating officials to find "weak spots" and make plans to bolster the sales effort.

3. Development and use of one type of insurance contract, continuous procedure, and forms that can be used for all commodities have effected savings and have simplified and improved administration as well.

Premium collection program progress.—For the convenience of the farmer, the insurance act permits payment of premium after harvest. This creates some problem of administration because the premium comes due after the risk has passed. Premiums are collected by the PMA county offices up through April 30 for the preceding crop year. After that date special collectors are used and in many cases legal action is taken through the Office of the Solicitor and the Department of Justice. The June 30, 1952, status of past due premiums by crop years together with percentages uncollected as of June 30, for the last 3 years indicate comparatively satisfactory progress as follows:

Outstanding accounts

Crop year	Number	Amount	Percent uncollected as of June 30		
			1952	1951	1950
1942-3	3,814	$141,267	0.4	0.5	0.6
1945	2,964	93,160	1.0	1.2	1.3
1946	4,998	350,857	1.1	1.3	1.5
1947	17,697	1,306,345	3.2	3.8	4.4
1948	3,407	173,844	1.4	1.8	2.7
1949	3,919	155,764	1.4	2.1	5.5
1950	10,188	281,343	2.0	4.9	----------
1951	19,868	859,497	4.4	----------	----------

Program operating statistics.—There follows statistical data by commodities for the first 5 crop years under the new experimental program authorized by Public Law 268, 81st Congress, approved August 25, 1949. The data on the 1952 crop year are estimated.

Item	Crop year				
	1948	1949	1950	1951	1952
BEANS					
Number of States	4	6	8	8	8
Number of counties	4	9	18	28	30
Number of contracts	1,444	2,909	5,138	9,457	9,014
Percentage of eligible farmers insured	26	29	20	31	30
Number of indemnities	76	323	1,070	1,554	922
Premiums	$32,396	$94,943	$103,426	$193,299	$198,100
Indemnities	$9,339	$61,152	$187,395	$598,027	$110,700
Surplus or deficit (−)	$23,057	$33,791	−$83,969	−$404,728	$87,400
Loss ratio	0.29	0.64	1.81	3.09	0.56
CITRUS [1]					
Number of States				1	1
Number of counties				1	1
Number of contracts				290	202
Percentage of eligible farmers insured				17	16
Premiums				$81,614	$56,000
Indemnities					$2,400
Surplus or deficit (−)				$81,614	$53,600
Loss ratio					0.04
CORN					
Number of States	13	13	14	14	14
Number of counties	36	44	73	97	99
Number of contracts	14,115	19,607	33,292	37,568	36,596
Percentage of eligible farmers insured	20	19	17	15	15
Number of indemnities	310	548	4,005	8,224	1,691
Premiums	$435,189	$586,690	$740,681	$1,109,956	$1,350,900
Indemnities	$74,398	$95,069	$910,645	$2,566,469	$341,700
Surplus or deficit (−)	$360,791	$491,621	−$169,964	−$1,456,513	$1,009,200
Loss ratio	.17	.16	1.23	2.31	.25
COTTON					
Number of States	14	13	12	12	12
Number of counties	53	52	80	100	98
Number of contracts	19,479	26,667	63,969	57,715	28,086
Percentage of eligible farmers insured	13	16	29	20	16
Number of indemnities	2,615	9,515	31,245	8,150	6,476
Premiums	$1,410,530	$1,580,299	$1,837,536	$2,699,974	$2,080,600
Indemnities	$605,256	$3,112,719	$5,150,497	$2,213,204	$929,000
Surplus or deficit (−)	$805,274	−$1,532,420	−$3,312,961	$486,770	$1,151,600
Loss ratio	.43	1.97	2.80	.82	.45
FLAX					
Number of States	6	6	5	4	4
Number of counties	48	48	58	59	59
Number of contracts	16,782	19,267	20,847	19,778	18,257
Percentage of eligible farmers insured	35	40	34	35	28
Number of indemnities	1,931	2,599	1,473	1,860	2,119
Premiums	$1,546,506	$882,223	$496,333	$465,190	$512,100
Indemnities	$795,096	$543,009	$205,289	$226,198	$407,800
Surplus or deficit (−)	$751,410	$339,214	$291,044	$238,992	$104,300
Loss ratio	.51	.62	.41	.49	.80
MULTIPLE CROP					
Number of States	2	5	27	32	32
Number of counties	2	7	55	95	115
Number of contracts	714	2,722	27,725	36,220	42,709
Percentage of eligible farmers insured	16	19	22	17	17
Number of indemnities	11	110	4,062	7,076	9,642
Premiums	$23,766	$136,549	$1,268,456	$1,987,052	$3,024,000
Indemnities	$1,387	$22,699	$1,175,123	$3,235,223	$7,057,900
Surplus or deficit (−)	$22,379	$114,450	$93,333	−$1,248,171	−$4,033,900
Loss ratio	.06	.16	.93	1.63	2.33

[1] No program until 1951.

Item	Crop year				
	1948	1949	1950	1951	1952
TOBACCO					
Number of States	12	12	12	12	12
Number of counties	32	35	52	69	82
Number of contracts	31,605	35,023	71,898	76,426	76,973
Percentage of eligible farmers insured	35	29	46	35	31
Number of indemnities	1,930	3,644	7,688	4,885	12,778
Premiums	$655,422	$740,512	$1,452,120	$1,600,004	$1,546,900
Indemnities	$284,750	$489,000	$885,349	$783,968	$1,226,900
Surplus or deficit (−)	$370,672	$251,512	$575,771	$816,036	$320,000
Loss ratio	0.43	0.66	0.61	0.49	0.79
WHEAT					
Number of States	24	24	24	24	24
Number of counties	200	199	283	352	390
Number of contracts	84,990	58,881	84,816	105,746	118,847
Percentage of eligible farmers insured	37	21	21	22	23
Number of indemnities	9,929	17,822	12,303	27,062	14,433
Premiums	$8,580,359	$7,712,413	$8,394,168	$11,263,599	$12,446,700
Indemnities	$5,009,638	$11,209,170	$4,287,651	$11,738,328	$10,624,100
Surplus or deficit (−)	$3,570,721	−$3,496,757	$4,106,517	−$474,729	$1,822,600
Loss ratio	0.58	1.45	0.51	1.04	0.85

Summary

Item	Crop year				
	1948	1949	1950	1951	1952
Number of States	40	40	40	42	43
Number of counties	375	394	619	801	874
Number of contracts	169,129	165,076	306,685	343,200	340,686
Number of indemnities	16,802	34,561	61,846	58,811	48,061
Premiums	$12,684,168	$11,733,629	$14,302,720	$19,400,688	$21,215,300
Indemnities	$6,779,864	$15,532,218	$12,802,949	$21,361,417	$20,700,500
Surplus or deficit (−)	$5,904,304	−$3,798,589	$1,499,771	−$1,960,729	$514,800
Loss ratio	0.53	1.32	0.90	1.10	0.98

Statement of obligations under allotments and other funds

[Includes only those amounts which, by Nov. 30, 1952, were actually received or programed for 1953 or 1954. Since work for other agencies is performed on a service basis, at the request of those agencies and for their benefit, it is not practicable to estimate in advance the amounts to be received in most cases]

Item	Obligations 1952	Estimated obligations, 1953	Estimated obligations, 1954
Obligations under reimbursements from governmental and other sources: Salaries and expenses	$6,675	$1,500	$1,500

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Insurance and actuarial structure	$842,670	$844,400	$803,500	−$40,900
2. Contract sales and servicing	2,979,180	3,134,600	2,682,800	−451,800
3. Commissions	642,600	603,500	603,500	
4. Premium collections	946,450	925,000	909,530	−15,470
5. Crop inspections and loss adjustments	2,036,900	2,440,500	2,350,670	−89,830
6. Reserve resulting from fewer number of crop year 1952 contracts requiring servicing in fiscal year 1953 than originally estimated and other savings	[1] 1,052,200			
Total available or estimate	8,500,000	7,948,000	7,350,000	−598,000

[1] Transferred to Agricultural Research Administration for eradication of foot-and-mouth and other contagious diseases of animals and poultry.

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $598,000 in this item below the original budget estimate consists of the following:

(1) The major part of the $40,900 reduction under the project "Insurance and actuarial structure" is composed of a decrease in personnel costs that will be effected by not filling additional positions originally planned to handle the 1954 workload. A reduction on travel and county survey-work costs will also be effected.

(2) The decrease of $451,800 under the project "Contract sales and servicing" reflects a reduction of the anticipated contract workload from 438,000 contracts to 420,000 contracts in force for 1954, and reductions in PMA service fees, and travel and personnel costs.

(3) Reduction of $15,470 under the project "Premium collections" resulting from a decreased workload of premiums to collect, from 423,000 to 405,000 accounts.

(4) Reduction of $89,830 under the project "Crop inspections and loss adjustments" as a result of a decreased workload from 423,000 contracts to 405,000 contracts to service.

General Statement

Mr. Andersen. We will be glad to hear from you at this time Mr. Brainard.

Mr. Brainard. Thank you, Mr. Chairman.

The Crop Insurance Corporation has been working to attain the objective which the Congress stressed in 1947 when legislative changes were made to improve the insurance program. That objective was to develop a sounder basis for providing farmers insurance of their crop investments against loss from the unavoidable production risks such as weather, disease, and insects. The scope of crop-insurance operations was reduced to an experimental level in 1948 so that a concentrated effort could be made to develop and operate this all-risk insurance so that over a period of years the premiums paid by farmers would balance with the indemnities paid to them. You will probably recall that, due to the early experience of the crop-insurance program, there was considerable concern regarding the possibility of developing this needed farm insurance so that premiums would cover the losses paid.

PROGRESS OF PROGRAM

Crop-insurance experience since 1948 bears eloquent testimony to the wisdom of the changes that were made at that time. Steady progress has been made in strengthening the soundness of the basis on which crop-investment insurance is offered and operated. Since 1949 there has been a gradual expansion of the program from 394 counties to the 922 scheduled for 1953 operations. Experimental work on the insuring of the combined investment in several crops was started in 1948 as well as dry-edible-bean insurance. In 1951 an experimental plan on citrus insurance was offered.

The expansion of the crop-insurance program has been on a very conservative basis—considerably below the maximum provided by the legislation. As you know the present expansion authority in the legislation ends with the 1953 crop year. Every year improvements are made both in the soundness of the underwriting structure of the program and in its administration. This is a new field of insurance, and it is to be expected that improvements will continue to be made each year.

1952 CROP YEAR EXPERIENCE

I feel that our 1952 experience offers an unusual illustration of both the sounder program that we have developed and the important need that crop insurance fills.

Last summer as drought destroyed crops in some areas and threatened total destruction over large areas, we were besieged by phone calls asking for estimates of how far our indemnities would exceed our premiums.

I am happy to report that our premiums for 1952 will exceed the indemnities paid by more than a half million dollars. The payment of claims is nearly complete, We feel that this is a very favorable experience in view of the extreme drought conditions in some areas and certainly far better than anyone thought possible throughout the growing season. We could not have broken even with the extremely heavy losses suffered in some areas in 1952 if our insurance risk had not been widely spread so that premiums from areas of good production made up for losses in the disaster areas. As a sound basis for insurance is developed, the more widely the risk can be spread the better the experience will be. Constant attention must be given in the operation of a sound crop-insurance program toward spreading the risk not only geographically but also between crops, over a period of years and throughout each insurance county. Naturally the adjustment of premium rates is basic to continuing a sound program and actual experience provides the best method for making these adjustments. In terms of experience we are very young in this new field of insurance.

CROP INSURANCE FILLS A DEFINITE NEED

With regard to filling the insurance need, the record shows that we will pay indemnities totaling more than $20 million to farmers who through no fault of their own, not only lost their expected profit but also money spent to produce the insured crop.

For 45,000 insured farmers whose crops were destroyed or severely damaged, these indemnities strengthened their financial positions

whether their loss represented savings from other years or capital borrowed to produce the crop.

In several areas of the country, credit available to farmers has tightened up to a surprising extent—surprising unless one is aware that the farmers in those particular areas had a poor crop and another failure would put many of them in very difficult financial circumstances. This is evidenced by a significant increase in the number of collateral assignments that are being filed in connection with crop-insurance policies. Through these collateral assignments, the lender can protect his position in the event of a crop failure.

The $42 million in loss indemnities paid to farmers who had the misfortune to suffer crop failures during the last 2 years of our operation made a significant contribution toward easing financial distress and strain at the points where our farm production plant was hurt the most.

You realize, I am sure, that these insurance dollars which go to cushion the effect of crop disasters are of much greater value than the ordinary dollar. You might say that circumstances put considerable "stretch" into them since by their very nature they seek out the points of damage and distress. In another important respect, too, these were not ordinary dollars since they came entirely from premiums paid by farmers for protection against such crop disasters.

Our 1952 experience illustrates the service of crop insurance to farmers who lose their crop investments through no fault of their own; the businessmen with whom the farmers trade; the communities in which they live and, through these direct local benefits, the national economy as well. The value of crop insurance in reducing the need for emergency farm assistance has been recognized from the start since it gives the farmer an opportunity to join with other farmers in providing investment insurance against such emergency needs. Crop insurance policies strengthen farmers' credit and very often enable them to obtain needed credit from private sources which otherwise would not be available to them. In my field contacts I have been especially pleased to note the increasing interest of local businessmen and lending agencies in the success of the program and their increasing recognition of its value to them as well as the farmer. In an increasing number of counties these businessmen through such means as putting paid ads in local papers are providing active assistance in getting farmers to see the important value of this insurance.

In judging the strength and stability which crop investment insurance can add to the agricultural economy of a county, it is important to keep in mind that the possibility always exists that crop failure may occur this very year and also that it may strike during consecutive years. For many farmers the effect of such crop failure, can be disastrous as you well know. It is a wonderful thing, however, to see how the protection of crop insurance even though it is limited to money spent in the cropping effort keeps farmers—even some of the best farmers in the county—from being forced to quit. We have numerous examples of where crop insurance has done this. Runnels County, Tex., offers such an example. After 2 years of unprecedented drought and nearly total crop disaster farmers still try again. They are in very difficult financial positions naturally, due to 2 straight years of failure, but without crop insurance to cushion the immediate disaster and provide needed credit for the next crop most farmers in

this county would not have been able to continue without considerably more money being required in the form of emergency assistance and credit than the amount of insurance indemnities paid. In such instances the "stretch" of the insurance indemnity dollar is clearly evident. Anyone who had the opportunity to observe first hand the influence of crop insurance in enabling farmers to survive such cropping catastrophes would have no difficulty in recognizing the value of crop insurance not only to the farmers and the businessmen of the county with whom they trade but to the Nation as well.

I am sure that all of you are aware that the financial pinch comes much quicker on the farm these days if there is little to sell or prices are low. Production costs and the capital required for successful farming today are high, so crop or price failures can put the farmer in serious financial difficulty very quickly. Today's farmer must have far more capital than in the past and at the same time crop failures can dissipate his capital in a much shorter time. These conditions have increased the importance and value of all-risk crop insurance.

IMPROVEMENT IN OPERATIONS

Our 1952 experience illustrates the gradual improvement that we have been making in the soundness of our operations through spreading our risks more widely. You will readily appreciate that our risks had to be very widely spread for us to finish with some premium surplus in view of the drought conditions that prevailed.

The 1952 experience also strengthens our belief that we are now in a position to do a better job in the future by improving overall operations and the administration of each county program. Since 1948, each year's experience has been another step toward improving all-risk crop insurance. The cumulative experience provides a guide for accelerating the progress that we are making on strengthening and expanding this insurance service.

We are able to handle more and more of our work with experienced crop-insurance personnel. In the vital loss adjustment work, we have shown rapid improvement due to a continuing training program so that we now can adjust the majority of our losses with personnel who have not only been specially trained but also have considerable experience in this work. Obviously, good loss adjustments were a major contribution to the 1952 experience.

There are still many refinements to be made in crop insurance operations. While all programs are still in the experimental stage to varying degrees, we have made the most progress in wheat and tobacco. We realize, of course, that there is still a long way to go before crop insurance reaches its ultimate objective.

MULTIPLE CROP INSURANCE

I want to make just a few comments regarding the multiple program. Multiple is the only one of the programs that did not operate in 1952 with premiums exceeding indemnities. This plan probably comes closest to providing for most farmers the type of crop investment insurance that they need. It insures under one policy money spent by a farmer in producing several crops. It provides a comparatively high coverage at low premium cost due to the offsetting of risk

that is expected from including the production from several crops under the same insurance contract. When crop disaster strikes a county, losses are heavy and indemnities under the multiple program are large because the protection covers most of the crop investment of the farmer. Since indemnities are less frequent than under a single crop plan, the job of getting farmers to recognize its basic insurance value is more difficult than in the case of single crop insurance. The package deal which combines the investment in several crops also offers more contrast to what the farmer hopes the total income from his crops will be. The potential value of this insurance plan is great, but there is still considerable experience to be obtained before we can bring it to as sound a basis as we have developed for wheat and tobacco insurance.

RÉSUMÉ OF OPERATIONS 1948–52

The combined experience for the past 5 years indicates that a workable plan of all-risk crop insurance under which premiums over the years will cover indemnities paid can be operated if the base of operation is broad enough to spread the risk adequately. The combined experience of all programs from 1948 through 1952 shows a premium reserve of just over $2 million after paying indemnities of more than $77 million to insured farmers. Naturally we would like to be able to report a much higher premium reserve but on the other hand this favorable 5-year experience is a record that many thought could never be attained due to the loss experience in the early years of the program. During this period crop insurance policies have provided farmers more than $1.2 billion of insurance protection on the money spent to produce crops.

EXPERIENCE CHARTS

In concluding I would like to go over with you the following charts, summarizing our experience to point out a few of the highlights and answer any questions that you might have on them.

Mr. ANDERSEN. Mr. Brainard, before you go further we will have inserted in the record at this point the charts to which you refer.

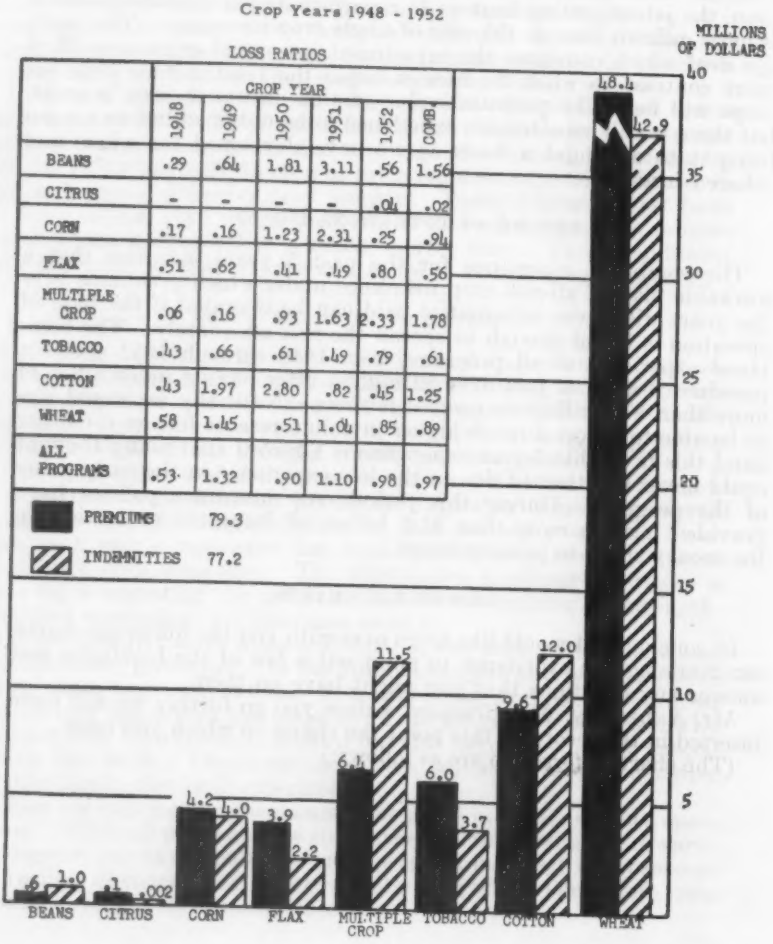
(The charts referred to are as follows:)

PREMIUMS, INDEMNITIES, AND LOSS RATIOS

Crop Years 1948 - 1952

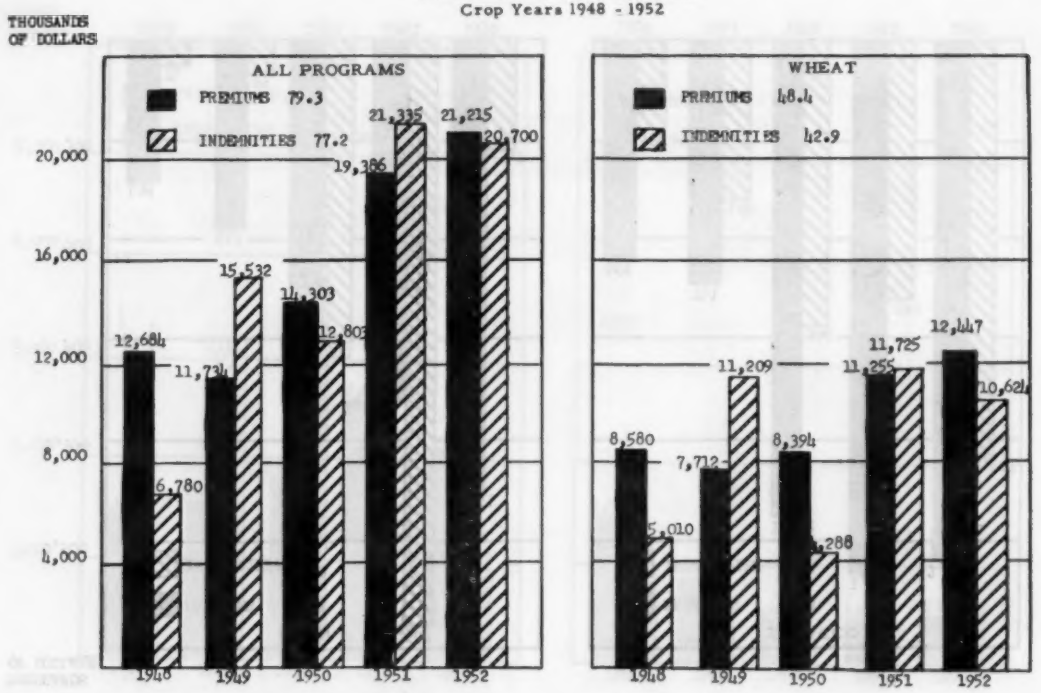
LOSS RATIOS

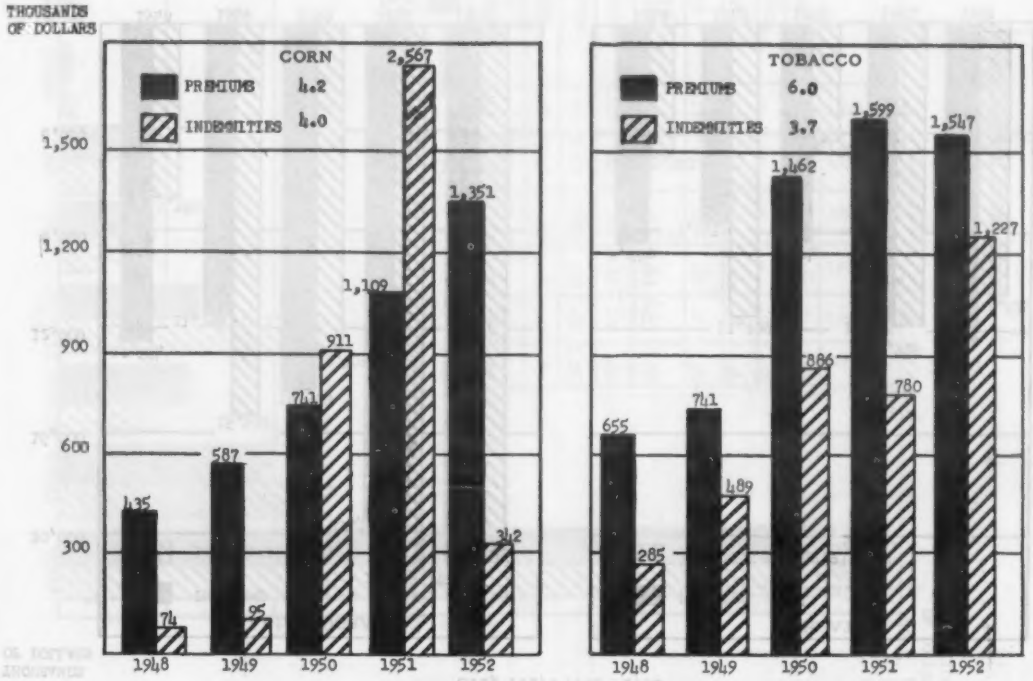
	CROP YEAR					
	1948	1949	1950	1951	1952	COMB.
BEANS	.29	.64	1.81	3.11	.56	1.56
CITRUS	-	-	-	-	.04	.02
CORN	.17	.16	1.23	2.31	.25	.94
FLAX	.51	.62	.41	.49	.80	.56
MULTIPLE CROP	.06	.16	.93	1.63	2.33	1.78
TOBACCO	.43	.66	.61	.49	.79	.61
COTTON	.43	1.97	2.80	.82	.45	1.25
WHEAT	.58	1.45	.51	1.04	.85	.89
ALL PROGRAMS	.53	1.32	.90	1.10	.98	.97

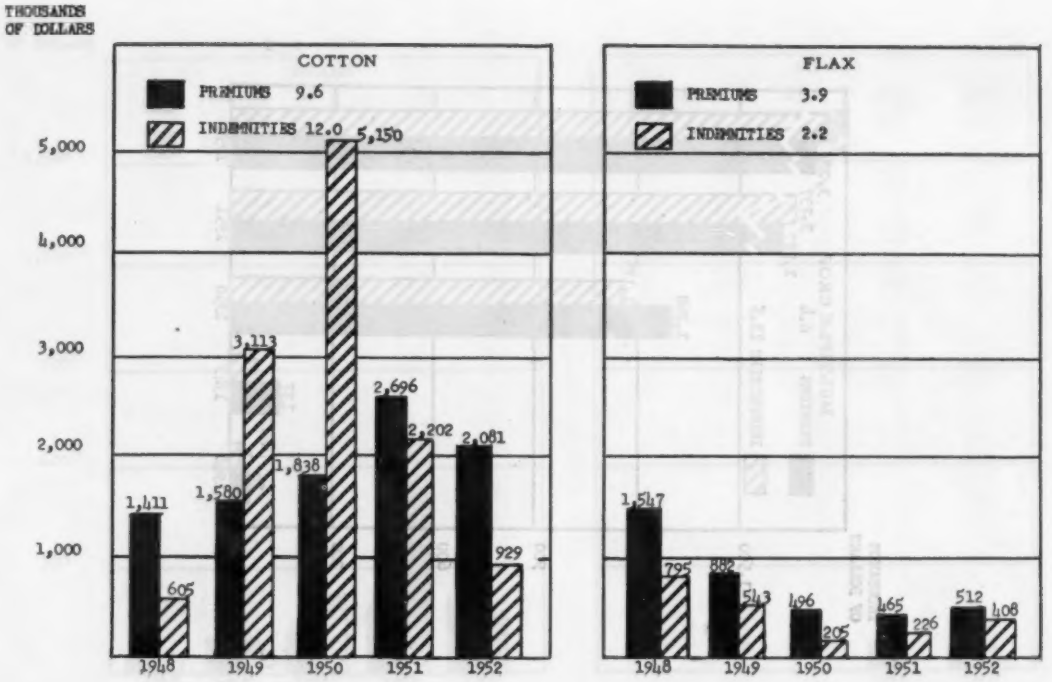


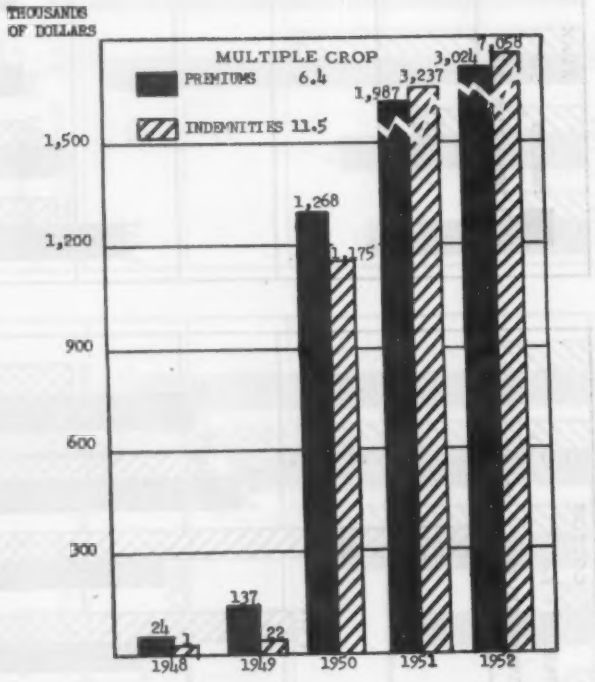
30505—53—pt. 4——3

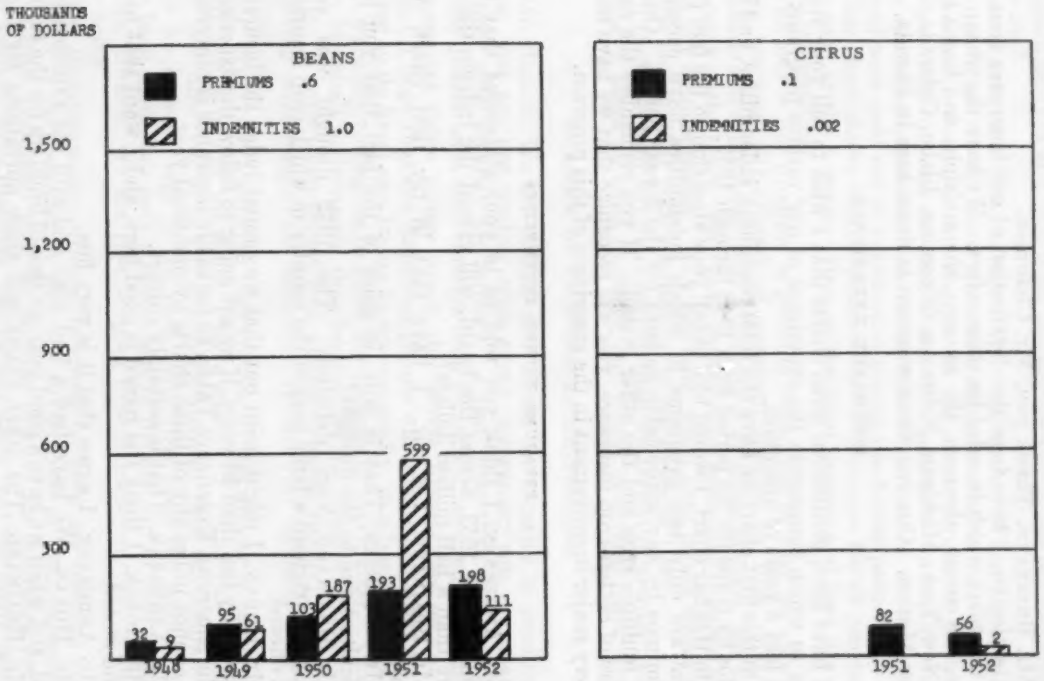
PREMIUMS AND INDEMNITIES
Crop Years 1948 - 1952




THOUSANDS OF DOLLARS
CORN
PREMIUMS 4.2
INDEMNITIES 4.0
1,500
1,200
900
600
300
435
74
587
95
711
911
1,109
2,567
1,351
342
1948
1949
1950
1951
1952
TOBACCO
PREMIUMS 6.0
INDEMNITIES 3.7
655
285
711
489
1,462
886
1,599
780
1,547
1,227
1948
1949
1950
1951
1952


THOUSANDS OF DOLLARS
COTTON
PREMIUMS 9.6
INDEMNITIES 12.0
5,000
4,000
3,000
2,000
1,000
1,411
605
1,580
3,113
1,838
5,150
2,696
2,202
2,081
929
1948
1949
1950
1951
1952
FLAX
PREMIUMS 3.9
INDEMNITIES 2.2
1,547
795
882
543
496
205
465
226
512
408
1948
1949
1950
1951
1952


THOUSANDS OF DOLLARS
MULTIPLE CROP
PREMIUMS 6.4
INDEMNITIES 11.5
1,500
1,200
900
600
300
24
1
137
22
1,268
1,175
1,987
3,237
3,024
7,658
1948
1949
1950
1951
1952


THOUSANDS OF DOLLARS
BEANS
PREMIUMS .6
INDEMNITIES 1.0
1,500
1,200
900
600
300
32
9
95
61
103
187
193
599
198
111
1948
1949
1950
1951
1952
CITRUS
PREMIUMS .1
INDEMNITIES .002
82
56
2
1951
1952

Mr. ANDERSEN. You may proceed, Mr. Brainard, with your chart presentation.

LOCATION OF INSURANCE COUNTIES

Mr. BRAINARD. Thank you, Mr. Chairman.

Gentlemen, I have here the distribution of our insurance counties on this map, which is coded by these colors. We have the wheat, the flax, the cotton, the corn, the tobacco, the multiple, and beans here in New York, Michigan, Nebraska, Wyoming, Idaho, Colorado, and New Mexico. Our one citrus program is down here in Florida.

INSURANCE EXPERIENCE

I have here, gentlemen, some charts that I wish to call your attention to which summarize the experience of our various programs for the last 5 years of operation.

On this first chart we have the total premiums, indemnities, and loss ratios by crops for the period from 1948 through 1952.

On this bar chart, I would like to call your attention to the fact that there are only two programs in which indemnities have exceeded premiums by any appreciable amount for the 5-year period. One is the multiple crop and the other cotton. If you remember the early years of cotton-crop insurance, you will recognize that we have made a very major improvement in the experience of this program.

PREMIUMS EXCEED INDEMNITIES

Mr. ANDERSEN. I think you told us in your statement that the premiums for 1952, across the board, will exceed the indemnities by more than a half million dollars?

Mr. BRAINARD. Yes, sir. I have that in my next chart, Mr. Chairman.

Mr. ANDERSEN. That is true, in spite of the fact that you had difficulties due to the drought?

Mr. BRAINARD. Very definitely. The 1952 drought was very serious throughout a large part of the country in which crop insurance was offered.

Mr. HORAN. I might point out that we cannot judge the insurance program by less than 50 years, if we are going to follow the experience of the American Experience Table, so far as life insurance is concerned. We cannot judge any of these charts by one fiscal year.

Mr. ANDERSEN. That is certainly correct.

Mr. HORAN. I think the record is good here, and I want that to be in the record.

Mr. ANDERSEN. I agree that it is very fine.

Mr. HORAN. We have had a bad year and still the experience is good, and when we have a good year we should build up for the future.

Mr. BRAINARD. The other charts will show operations for the 5 years by programs, as we will see when we continue through the charts.

There is one more significant thing I do want to call to your attention on this first chart, and that is the comparative size of the wheat program. This bar shows the 5-year accumulation of premiums and the second is the indemnities. Our total overall operations for 5 years was $79.3 million for premiums and $77.2 million for indemnities.

That brings out the difference, Mr. Chairman, of the $2 million that I previously referred to in my statement.

Mr. ANDERSEN. Before you leave this chart—the multiple-crop program for 1951 and 1952 is the one in which there has been difficulty, is it not?

Mr. BRAINARD. That is right, Mr. Chairman. When I get to the multiple chart, it will show when this experience occurred.

One more word on this chart. In the upper left-hand corner is the loss ratio by years for each of the eight programs we had in effect. The combined experience here shows that 97 percent of the premiums earned were paid out in indemnities during the 5-year period.

This chart shows total premiums and indemnities for all programs for each of the 5 years. Here is the total income and here are the total indemnities.

The size of our program is growing from year to year, as you will note, reaching $21,215,000 of premium income in 1952, and we estimate $25 million for 1953. During 3 of these 5 years, we have operated in the black. We have earned more premiums than we have paid out in indemnities. You will note, when I get to the wheat and cotton charts, that both contributed to our losses in 1949.

In 1951, we paid out more money than we earned in premiums due to heavy losses on corn, multiple, and wheat in several major areas.

PURPOSE OF CROP INSURANCE PROGRAM

Mr. HORAN. We are talking now about the security to producers. Now, you are not dealing with profit insurance; you are dealing entirely with security for farmers. I just hope that the American public understands that through crop insurance, we are merely insuring against those things which the farmer himself has no control over. I hope that the American people will understand what we are trying to do here, and trying to do actuarially, in a business way. I just want my colleagues to know my feelings in this matter. I know Mr. Marshall understands this, because he has dealt with this same thing. I hope when people look at these charts, they will not think of giving something to the farmers. We are just trying to keep him in business.

Mr. WHITTEN. I am glad that statement will appear in the record. I think it is one of the finest I have heard. I would like to stress, too, in connection with Mr. Horan's statement that the insurance is only for a percentage of the cash costs—not even the amount that has been spent, but only a percentage of the amount of cash spent.

Mr. HORAN. We are just keeping him in business; that is all we are doing.

Mr. BRAINARD. Mr. Horan, referring back to my opening statement, it is very significant that the $21,215,000 of 1952 indemnities came from premiums paid by farmers in 1952 for insurance protection against these disasters and catastrophes that hit many insured farmers.

WHEAT INSURANCE

The wheat chart shows that we are progressing pretty well with our wheat program. With 14 years of experience, it is the oldest and largest program we have. The wheat chart shows as the total pro-

gram chart next to it does that we have been gradually expanding in size and in experience. With the exception of 1949, and the small difference here in 1951, the wheat indemnities are far under the premiums. Total wheat premiums for the 5 years were $48.4 million and indemnities $42.9 million, leaving a nice reserve for the 5 years of operations.

CORN INSURANCE

This chart shows premiums and indemnities for the corn program, with premiums ranging from $435,000 of premium income in 1948 to $1,351,000 of premium income in 1952. With the exception of heavy losses that occurred in northern Iowa and southern Minnesota in 1951, the corn experience has been very good and even with the severe losses of 1951, we have about $200,000 of premium reserve for the 5 years of experience.

Mr. HORAN. Mr. Brainard, what is insurance for? You had a bad year and the farmers were indemnified. Why should they not be?

Mr. BRAINARD. I think, Mr. Horan, this brings out the exact purpose of the insurance program.

Mr. HORAN. I want to bring that out clearly.

Mr. BRAINARD. This is an illustration of the premiums from the good years taking care of losses paid to distressed farmers in a year of widespread crop failure. Crop insurance provides farmers a business way to protect against crop disaster by paying premiums for insurance protection against unavoidable losses that may strike any year.

Mr. HORAN. Yes, sir, that is exactly it. There is a clear case. That is what we have insurance for, to protect our farmers in bad years.

Mr. BRAINARD. I am very familiar with this loss that occurred in northern Iowa and southern Minnesota, and I believe, Mr. Chairman, you did insert into the record of Congress in 1951 the figures on the crop of Nobles County, Minn., which showed the income was $12 per acre for corn production in the whole county in 1951.

Mr. ANDERSEN. Where, normally, it is around $70.

Mr. BRAINARD. Yes, sir. And the experience in Nobles and several other Minnesota and Iowa corn counties contributed substantially to this 1951 corn experience.

TOBACCO INSURANCE

Now, let's move to the tobacco chart. You will note that the tobacco program during the 5-year period shows premiums exceeding indemnities every year. We have a similar record in flax. The tobacco program has been a very successful program, operating in 82 counties in 1952 or about 25 percent of the tobacco area. The program started in 1945 with 13 counties and has been gradually expanded.

Mr. HORAN. What do you actually consider in terms of premium reduction there?

Mr. BRAINARD. Mr. Colby, do you want to make a comment on that?

Mr. HORAN. Five years is not a very good base.

Mr. COLBY. You said a minute ago something about 50 years, and that is true in connection with tobacco. You see, the insurance

protection per acre is quite high—$250 to $300 an acre. There is a great deal of labor involved, and tobacco is an expensive crop to produce. The big part of the tobacco risk is catastrophe. We have made some adjustments, but we are making them very slowly. Some day we may be called on to pay a tremendous loss in tobacco, so we must build reserves.

COTTON INSURANCE

Mr. BRAINARD. On the next chart we have cotton first. Cotton has had 2 unfavorable years of experience. I do not think that is any reflection on the program which shows a tremendous improvement in experience compared with the early years of cotton insurance. We have had some real problems in getting cotton on a sound basis but I feel this chart shows real progress in that direction. The 1949 and 1950 experience of the cotton program shows indemnities exceeding premiums due to the heavy boll-weevil damage in 1949 and 1950. The 5-year totals are $9,600,000 for premiums and $12 million for indemnities.

FLAX INSURANCE

The flax chart shows very favorable experience for the 5 years with premiums exceeding indemnities each year. There are two reasons for the size of the program being reduced in flax. It is not due to fewer contracts in force, but less premiums because of a lower price on flax and a reduction in acreage. The price has gone from the high level we had during the war and following the war, to about one-half that price now. The acreage planted to flax has declined to about one-half what it was in 1948 and in prior years. Some of our early flax counties also have changed to multiple-crop insurance.

MULTIPLE CROP INSURANCE

On the next chart we have the 5-year summary for the multiple program. We started our operations in the multiple program in 2 counties in 1948 and have expanded to 113 counties in 1952. For the 5 years, premiums total $6,400,000 and indemnities $11,500,000. The past 2 years—1951 and 1952—show heavy losses for the multiple program. The 1952 loss experience was due to major crop disasters in multiple counties in Texas, North Dakota, Colorado, and Tennessee. Drought, as you know, caused severe losses in many areas last year. In 1951 the major causes of loss were drought and frost which severely damaged corn in the Iowa and Minnesota area where corn was the major crop under many multiple policies.

Mr. HORAN. Would you list the crops involved in the multiple crop program?

Mr. BRAINARD. Mr. Colby, will you give Mr. Horan the list of crops in any area that he has in mind?

Mr. HORAN. I do not have in mind any particular area. I just want to know the list of crops under that program.

Mr. COLBY. We have about 35 crops insured in the program. Would you like to have them inserted in the record—a list of the crops?

Mr. HORAN. Yes, I would like to have that. I think we ought to know, because if this program succeeds—and it has succeeded ever since we started this experimental program—and you fellows have

done a good job; there is no question about it. You have been very selective and you have been judicious, from the record, at least. Of course, we will have demands to expand this to insurance on hail against apples and perishables, and so forth, but this should be in the record in order that the record will be more explicit and we will be able to discuss it more wisely later on. If you will supply that for the record, it will be helpful.

(The information is as follows:)

1952 MULTIPLE CROP INSURANCE PROGRAM

Kinds of crops insured and number of counties and States in which each crop is insured

Crops	Counties and States in which the specified crops are insured		Crops	Counties and States in which the specified crops are insured	
	Number of counties	Number of States		Number of counties	Number of States
Grains:			Oil—Continued		
Barley	57	19	Peanuts	12	5
Corn	106	30	Soybeans	57	18
Grain sorghum	17	5	Seed:		
Oats	92	27	Alta fescue	1	1
Rye	17	4	Austrian peas	1	1
Wheat	78	25	Crimson clover	1	1
Food:			Lespedeza	1	1
Cabbage	1	1	Red clover	1	1
Canning peas	2	2	Ryegrass	1	1
Dry edible beans	12	4	Vetch	2	1
Onions (dry)	1	1	Hay:		
Potatoes	11	7	Alfalfa	14	9
Rice	6	2	Clover and timothy	5	4
Snap beans	2	2	Lespedeza	6	4
Strawberries	4	3	Red clover	1	1
Sugar beets	3	2	Tame hay	1	1
Sugarcane	4	1	Other:		
Sweet corn	3	3	Cotton	31	10
Sweetpotatoes	10	5	Tobacco	14	7
Tomatoes	3	3	Corn ensilage	18	7
Oil:			Sorghum ensilage	1	1
Flax	32	6			

Total number of crops covered, 38.
Total counties in which multiple crop insurance is provided in 1952, 113.
Total States in which multiple crop insurance is provided in 1952, 32.

Mr. ANDERSEN. Mr. Brainard, you mentioned that in 1951 the corn crop got you in difficulties on the multiple crop program.

Mr. BRAINARD. Yes, sir.

CORN CROP LOSS IN 1952

Mr. ANDERSEN. What was responsible for the loss in 1952?

Mr. BRAINARD. In 1952 the loss was very heavy in three States, Mr. Chairman. Much of the loss was due to excessive drought in 2 Texas Counties, Runnels and Taylor, and in 2 North Dakota counties, La Moure and Barnes, and 2 or 3 counties in Tennessee. These counties were all affected seriously by the drought. The crop disasters were countywide and losses were very heavy due to high participation by farmers in these counties. They are major producing areas, and, as I said in my statement, the coverage on multiple is comparatively higher on individual farms than under the single crop insurance plans.

Mr. ANDERSEN. In Texas, were they normal, average counties that suffered that loss?

Mr. BRAINARD. Yes, they were, Mr. Chairman.

Mr. ANDERSEN. They were not in the extreme far west, which includes the marginal land?

Mr. BRAINARD. No, sir; I believe you would say they were about in the center of Texas.

Mr. ANDERSEN. In what crops did most of the loss occur?

Mr. BRAINARD. Wheat and cotton; in fact, all crops. It was the most severe drought and crop disaster they have experienced in the memory of their farmers.

Mr. ANDERSEN. What about the two counties in North Dakota? You say they suffered excessive losses last year. Did they include marginal lands?

Mr. BRAINARD. I would not call them such, Mr. Chairman.

Mr. ANDERSEN. Where are they located?

Mr. BRAINARD. They were Barnes and La Moure counties in the southern part of the State on the east side.

Mr. ANDERSEN. I agree with you that anything in the eastern one-third of North Dakota could not be considered marginal.

Mr. BRAINARD. I definitely would not consider these marginal counties.

Mr. ANDERSEN. Mr. Brainard, just what caused your difficulties there?

Mr. HORAN. It is more than that, Mr. Chairman. That is the crux of what we are trying to achieve. I think the House Committee on Agriculture saw fit to end this program and to put it on an experimental basis. We had had some unfortunate experience under the initial attempt to have crop insurance, and, frankly, I say crop insurance—if we are trying to do it for all crops—is a very difficult thing to achieve. However, as we progress in this experimental phase and as we expand, we are going to increase the interest in this program. Therefore, what you do in multiple crop insurance through the years—and I do not want to restrict my observations or any judgment to one year—is going to have an increasing interest; and, therefore, what the chairman has just asked for is very pertinent as to what our experience in individual crops among the multiple crop insurance program is and has been.

DISADVANTAGES OF MULTIPLE CROP INSURANCE

Mr. ANDERSEN. Mr. Brainard, will you discuss in detail the difficulties you have encountered in the multiple crop picture?

Mr. BRAINARD. Mr. Chairman, I think, going back into the fundamentals of the multiple crop insurance program, briefly, I would say this: I have stated before that the multiple crop program usually covers all major crops on any farm on which we take an insurance contract. Therefore, the coverage runs much higher than under the single crop contracts. We take into consideration the production of all the farmers' crops, and when the combined production of his insured crops falls below the coverage under his contract, he has an indemnity coming.

Mr. ANDERSEN. Will you put a table in the record at this point showing in detail a specific problem in each of these three areas—

Tennessee, Texas, and North Dakota—and indicating what crops were covered on that particular farm and where you got into difficulties.

(The information requested is as follows:)

MULTIPLE-INSURANCE-LOSS EXAMPLES

In operating all-risk crop insurance, it is always possible to encounter early in a program—even the first year—an unfavorable experience situation under which indemnities exceed premiums by a substantial amount. Such experience does not necessarily mean that the rates, the coverages, or the program as established are not sound. It may simply mean that the operation was initiated at the most unfavorable point in the production cycle from the loss-indemnity standpoint.

This undoubtedly is true in a measure at least of the 1951 and 1952 multiple experience, where much of the loss occurred in counties that were struck by very severe crop disasters—possibly the worst in the history of these counties. Under such conditions, if crop insurance is meeting its basic purpose, indemnities naturally will be far in excess of the year's premium for such counties.

To illustrate by actual example what happened, the following examples of actual indemnities paid insured farmers in counties in those areas that were hardest hit are offered:

ACTUAL INSURANCE RECORD OF A POLICYHOLDER IN FRANKLIN, TENN.

Crop	Insured coverage	Value of production
Cotton	$208	$438.08
Alfalfa	448	180.00
Corn	569	652.80
Crimson-clover seed	152	44.00
Wheat	409	286.44
Total	1,786	1,601.32
Coverage for farm		$1,786.00
Production for farm		1,601.32
Amount of loss		184.68
Amount of premium		25.84

ACTUAL INSURANCE RECORD OF A POLICYHOLDER IN RUNNELS, TEX.

Crop	Insured coverage	Value of production
Cotton	$926	$133.30
Grain sorghum	619	89.44
Oats	155	17.71
Wheat	184	0
Total	1,884	240.45
Coverage for farm		$1,884.00
Production for farm		240.45
Amount of loss		1,643.55
Amount of premium		106.40

ACTUAL INSURANCE RECORD OF A POLICYHOLDER IN BARNES, N. DAK.

Crop	Insured coverage	Value of production
Barley	$1,148	0
Flax	235	$79.52
Oats	369	276.25
Wheat	2,793	2,168.64
Total	4,545	2,524.41
Coverage for farm		$4,545.00
Production for farm		2,524.41
Amount of loss		2,020.59
Amount of premium		199.45

In the Franklin County, Tenn., example we have an illustration of loss due to an extreme summer drought which resulted in very small production of hay and seed crops and necessitated an emergency program of importing hay into the State. As the example shows, the loss on farms with sufficient cotton acreage was partially offset by the cotton production. In this case the wheat crop also produced less than the part of the insurance coverage represented by the wheat acreage. Out of the 5 insured crops on this farm, cotton production was considerably above the part of the coverage represented by this crop, corn just a little above the coverage, and the other 3 crops were all below.

In the Runnels County, Tex., example we have an illustration of heavy loss resulting from an extended drought in this area which according to Weather Bureau records was one of the worst in the history of the area. The county suffered virtually a total crop disaster. As the example shows, there was little production to count against the coverage for any crop, and this farmer without an insurance policy to return part of his investment might very easily have been put in a financial position where he could not have survived or got credit to plant another crop. While we realized this area was subject to considerable drought hazard and established premium rates considerably higher than in most other areas, only through additional experience can we determine whether it is feasible to offer the type of multiple-insurance plan that we have operating in this area at the present time. The premium income in this area is large, and this county could recover from its disaster-loss position rapidly with favorable crop conditions.

In the Barnes County, N. Dak., example we have another illustration of severe crop loss due to drought. This area was gripped by a severe drought that threatened total destruction over nearly the entire State for an extended period, but sufficient rain came in time to avert a total disaster. As the example shows, the indemnity would have been much greater except for the fact that sufficient wheat was harvested to almost make its share of the coverage, and the oats also came through to make most of its part of the coverage. As in the Texas area, this hazard was recognized, and it is believed that these losses will be recovered in future years. Barnes County had operated very successful and sound wheat- and flax-insurance programs before changing to multiple-crop insurance in 1950 in order to obtain protection on a larger part of the county's total annual investment in crop production.

While the experience has been very bad in a few areas, it should be pointed out that multiple experience in most areas has been favorable, but business had not been built to sufficient volume in the areas of good experience to provide adequate premium income to offset the heavy losses in the disaster areas where the percentages of participation by farmers was generally much higher than in most other multiple-crop counties and average operations are also much larger.

In these instances we actually have examples of the multiple-crop program doing what it is designed to do: providing important protection in years of severe crop loss. It is designed to meet catastrophic losses and not to indemnify diversified producers for the less serious losses involved when only part of their diversified operation is damaged. It is expected that under normal conditions indemnities to insureds will be very infrequent and then not very large unless crop destruction is very severe in a county. The potential indemnity is, however, large in the event of complete catastrophe, since the contract covers the major part of the total investment in crop production on the farm. Such disasters did occur in several counties, and this experience emphasizes the importance of spreading the insurance risk of this plan over as large an area as possible in order that catastrophic losses in a few counties can be offset as far as possible by the annual premium income from counties in other areas where the production record is favorable.

Mr. HORAN. If we cannot in a program insure multiple crops, let us not endanger the rest of the program.

Mr. ROWE. I think, maybe, we may have left the impression that these three areas with heavy losses last year were poor areas and that this may have caused these losses. I do not believe we meant that. These are the areas where we had losses last year——

Mr. HORAN. That is what we have insurance for is to take care of those areas.

Mr. ANDERSEN. I agree with that. We have to expect losses.

Mr. HORAN. Let us not endanger the principle of insurance to our basic producers.

Mr. ANDERSEN. That is exactly the point, Mr. Horan. What interests me in this picture is that the multiple crop insurance program dropped $5,100,000 over the last 5 years, whereas in wheat they had a gain of approximately $5½ million for the same period. The one has almost exactly offset the other.

Are we proceeding, perhaps, a little too fast with multiple crop insurance?

I want you to do some experimenting along this line, but let us not provide insurance coverage to the point where we may endanger the balance of the program. Please give us as much information as possible here on the multiple crop insurance program.

MULTIPLE CROP INSURANCE PROVIDES COMBINED COVERAGE

Mr. BRAINARD. Multiple crop insurance is a relatively new, comprehensive plan of all-risk crop investment insurance designed especially to meet the insurance needs in diversified counties where several crops rather than one contribute the major part of the farm income. It provides protection of the combined investment in several crops and thus makes available to a diversified farmer protection comparable to that provided under a single commodity program to a farmer who specializes in the production of one crop.

In determining losses there is one combined coverage for all insured crops under the present plan and production from all insured crops is counted against this total farm coverage. Under this plan, diversification lessens the risk of loss from an insurance standpoint since failure of one or even more crops may be offset by favorable production of other insured crops. Consequently, the premium cost to the farmer varies depending on the degree of diversification he has on his farm.

This insurance plan was started on a small experimental basis in 1948 in two counties and has been expanded each year until there were 113 counties with multiple insurance programs in 1952. In selecting counties for expansion it was necessary to determine that insurable crops represented a significant portion of the agricultural income of the county and that generally the individual farms within the county produced several of the insurable crops. Also, it was desirable to select counties in which the insurable crops offered the maximum amount of diversification and were generally not all subject to the same hazards. In order to obtain needed experience it was desirable too, to expand the program into widely separated areas to obtain experience under the varied types of agricultural production areas of the Nation.

Obviously, it is important under a catastrophic type of insurance such as the multiple crop program to spread the risk over as large an areas as possible in order that catastrophic losses in one area will be offset, insofar as possible, by premium income from other areas. The program was expanded into many areas and to cover numerous crops on which there had been no previous insurance experience. Such experience is essential to determine whether it is feasible to insure such crops and areas under this plan. As a result the program is operating in one or more counties in 32 States with 38 different crops insured under the 115 county programs.

Since the start of the multiple program there has been constant pressure to add additional crops under the multiple plan. It is neces-

sary for us to exercise considerable care in adding new crops for which we have no experience and which in many instances present more varied problems and complications than insurance of the basic crops. We need to proceed carefully in extending coverage beyond the present crops until we have obtained more factual data with respect to insuring the crops that have already been added under this plan. While this program offers an opportunity to obtain on a comparatively small scale some experience in insuring new crops, their addition does introduce new problems and requires much additional study in an effort to get each county program on the soundest basis possible. The addition of new crops under this plan has broadened to a considerable degree the experimental work which normally is required in the early stages of development of any all-rick crop insurance

Basically the multiple plan of crop insurance provides the type of protection needed in many counties of the Nation. Early experience, as it has in several other crops, indicates the need for actual experience in multiple operations in order to lead the program to a sound operating basis. Experience may prove that a sounder operation than the present plan in some areas and counties will be a plan that insures all major crops under one contract but for which premiums and coverages are established for individual crops and losses are adjusted separately on each crop. The broad field of crops now covered by even the small multiple operation certainly indicates that as experience is obtained major improvements both in the soundness and the basic provisions of the program can be made as it is adapted more closely to areas and the crops and risks involved.

Mr. NIKKEL. I think it would be well to point out to the committee on this multiple-crop program something that is basic to our whole insurance experience, with which the committee is familiar. In the multiple program, we are actually in a new insurance field. We have 5 years of experience, but that is very limited. In wheat we have 14 years of experience. We are beginning to find out the problems in multiple-crop insurance. At the end of 5 years, we were beginning to find out where we were wrong, and I think we would want to admit very frankly that we have in the multiple program some serious problems from the sound standpoint of spreading our risk. We need to be in all areas so that on this high-coverage crop insurance where we pay heavy indemnities when disaster strikes a crop area, we have the risk spread widely so that when we get hit with these losses in counties, we will be able to handle them, by spreading the risk widely enough so we can take care of them with premium income from other areas. We will have counties in the future that are hit just as hard as these we had this year.

PAPERWORK INVOLVED IN INSURING CROPS

Mr. HORAN. One of the criticisms of bureaucracy is that you have too many forms to fill out. Are you going to have forms to be filled out when insuring a crop that will be short and concise? Have you developed a sound, solid form that a farmer can understand that is not too complicated and that can be used generally, and does not have too much fine print on it? Do you have that experience?

I hope you are working in that direction. This committee is very friendly to your program, and sometimes I think that we Members of

Congress contribute to the complication in some of the forms and some of the triplications that occur in bureaucracy because we want to be sure that we are not making a mistake. What has been your experience there, Mr. Nikkel?

Mr. NIKKEL. We are just as anxious as you are to simplify all of our paperwork just as much as we can, and we have been making progress in that direction. I do not think it is as simple yet as eventually we can make it, but to give you an illustration of how much paperwork is involved for the farmer in our average program, I will summarize it briefly: The farmer signs an application, and if we accept that application, we issue him a contract. Since his coverage and premium are based upon his actual planting, he makes an acreage report which shows his actual planting and his interest in the crop and the location of that crop. From that, we bill him for the premium. If he has no loss, that is all the paperwork involved. The contract continues in force unless he cancels it and the next year all he has is an acreage report to fill out. There is no other paperwork except when a loss occurs, and then our adjuster visits the farm and makes out the loss claim for him. We have been working very steadily with our adjusters to try to get a trained group of adjusters who will give the farmer an understanding of how the adjustment was made, what he has coming, and a complete understanding of his insurance. A loss-claim form is a little more complicated than you would normally expect a farmer to make out himself.

Mr. HORAN. At this point in the record, could we have inserted copies of the documents that are involved? I know this will help to settle a lot of misunderstanding.

(Documents requested are as follows:)

Form FCI-112

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation

Monetary Coverage ☐
Commodity Coverage ☐
_____ ☐

Name and Address of Applicant:

Mr.
Mrs.
Miss._____
(NAME—TYPE OR PRINT)

_____
(STATE AND COUNTY CODE AND APPLICATION NUMBER)

_____
(ADDRESS—TYPE OR PRINT)

_____ _____
(COUNTY) (STATE)

APPLICATION FOR CROP INSURANCE ON_____,
(CROP)

(For Continuous Contract Beginning with the 195__ Crop Year)

A. The undersigned applicant hereby applies to the Federal Crop Insurance Corporation, (herein called the "Corporation") for crop insurance on the insurable classes or types of the above-mentioned crop in the above-named county. The insurance shall cover the applicant's interest in the crop, at the time of planting, as landlord, owner-operator, tenant, or sharecropper on all insurable acreage considered for crop insurance purposes to be located in the above-named county. The insurance shall cover unavoidable loss due to drought, flood, hail, wind, frost, freeze, winter-kill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, pole burn, and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. This application, when executed by a person as an individual, shall not cover his interest as a partner in a crop produced by a partnership.

B. This application when accepted by the Corporation and the applicable crop insurance policy issued by the Corporation shall constitute the contract. No term or condition of the contract shall be waived or changed on behalf of the Corporation except in writing by a duly authorized officer or representative of the Corporation. A copy of the policy is on file in the county office. The contract shall, upon acceptance of this application, be in full force and effect for the crop year specified above and shall continue in effect for each succeeding crop year thereafter until canceled in accordance with the provisions of the policy. The acceptance of this application by the Corporation shall cancel, beginning with the above-specified crop year, any existing single-crop insurance contract covering the above-mentioned crop in the county between the parties hereto.

C. For the crop year specified above the coverage(s) and premium rate(s) per acre for each insurance unit covered by the contract shall be those established by the Corporation for that crop year and which are on file in the county office. For each subsequent crop year the coverage(s) and premium rate(s) per acre shall be those established by the Corporation and shall be on file in the county office at least 15 days prior to the applicable cancellation date. It is understood and agreed that for each crop year of the contract any acreage is insurable only if a coverage for such acreage is shown on the county actuarial table (including maps and related forms) on the applicable closing date for submitting applications for that crop year, and provided the farming practice followed on such acreage is one for which a coverage was established.

D. The undersigned applicant agrees to follow recognized good farming practices, to properly prepare the land, plant and care for the insured crop, and to submit an acreage report promptly after planting.

E. The Corporation reserves the right to reject any application for insurance in its entirety or to exclude insurance thereunder with respect to any identified acreage.

F.

— NOTE FOR PREMIUM —

The applicant promises to pay to the Corporation each crop year during which the contract is in effect, on or before the applicable maturity date shown in the policy, the amount of the premium due under the contract for such year and agrees that any unpaid premium shall bear interest computed not on a per annum basis but as follows: Three percent on the amount not paid on or before the applicable interest date specified in the policy and an additional one percent on the principal amount unpaid at the end of each two calendar month period thereafter.

Any unpaid amount of this note (including any interest due) may be deducted (either before or after the maturity date) from any indemnity payable by the Corporation, from the proceeds of any commodity loan to the insured, and from any payment to the insured under the Soil Conservation and Domestic Allotment Act, as amended, or any other act of Congress or program administered by the United States Department of Agriculture, and in the case of tobacco crop insurance from the proceeds of the sale of the tobacco crop.

_____, 195__ _____
(DATE) (SIGNATURE OF APPLICANT)

_____
(WITNESS TO APPLICANT'S SIGNATURE)

The undersigned co-signer is a surety for the payment of the premium note as it applies to the first crop year of the contract and is in no other way a party to the contract.

_____ _____
(NAME AND ADDRESS OF CO-SIGNER OF PREMIUM NOTE (TYPE OR PRINT)) (SIGNATURE OF CO-SIGNER)

_____, 195__
(DATE)

G. COUNTY COMMITTEE RECOMMENDATION FOR ACCEPTANCE.

_____, 195__ _____
(DATE) (FOR THE COUNTY COMMITTEE)

H. ACCEPTED BY THE FEDERAL CROP INSURANCE CORPORATION by_____ _____, 195__
(DATE)

INFORMATION FOR COUNTY OFFICE USE ONLY

Location of farm(s) or headquarters_____

BRANCH OFFICE COPY

☆ U. S. GOVERNMENT PRINTING OFFICE: 1950 - 939068

Form FCI-21?
October, 1951

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation

Budget Bureau No. 40-R1414.1
Approval Expires July 31, 1953

19____
(Crop year)

CROP INSURANCE ACREAGE REPORT

(Name of Insured-Type or Print) (State and county code and contract number)

(Address of Insured-Type or Print) (Name of county)

INFORMATION TO BE ENTERED BY INSURED (See back of form for instructions)

I had a share at the time of seeding in a total of [ ] acres of the above-named crop in the above-named county. The table below contains detailed information with respect to this acreage, including a description of the farm(s) on which it is located.

	Name and Location or the Legal Description of the Farm (1)	Farming Practice (2)	Acres of Insured Crop (3)	My Share (All, ½, ¼, etc.) (4)	Name of Other Person(s) Sharing in Crop on Farm (5)	Insurance Unit No. (6)
1						
2						
3						
4						
5						

I CERTIFY THAT THE INFORMATION CONTAINED ABOVE IS CORRECT AND COMPLETE.

_____, 195____ SIGN HERE _____
(Date) (Signature of Insured)

REMARKS _____

TO BE COMPLETED IN OFFICE AFTER INSURED FURNISHES ABOVE DATA

Area No. (7)	Premium Rate Per Acre (Rate) (8)	Gross Premium (Cols. 3×8) (9)	Size of Average Basket (10)	Computed Premium (Cols. 9×10) (11)	Adjusted Premium ____% (12)	Guaranteed Coverage Per Acre (13)	Maximum Coverage (Columns 3×13) (14)
1							
2							
3							
4							
5							
6 Total	XX	XXX	XXX			XXX	

(A) Total Premium _____
(B) Premium Reduction _____
(C) Reduced Prem. (A minus B) _____
(D) Fixed Price Per Bu. $_____
(E) Earned Premium $_____
(F) Discounted Prem. (95% of E) $_____
(G) Amount Paid $_____
(H) Date Paid _____
(I) Accumul. Bal. (FCI-25) _____ Bu.

I certify that, to the best of my knowledge and belief, the above is correct and complete and that this form has been prepared in accordance with existing procedure.

_____, 195____ _____, 195____
(Corporation representative) (Date) (County office representative) (Date)

BRANCH OFFICE COPY

* U. S. GOVERNMENT PRINTING OFFICE: 1951 - 934660 □

Form FCI-MP

UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION

Budget Bureau Clearance Waived

STATEMENT IN PROOF OF LOSS

(NAME OF CROP) 19 (CROP YEAR)

(STATE AND COUNTY CODE AND CONTRACT NO.)

(NAME OF INSURED)

(CONTRACT NUMBERS OF OTHER CONTRACTS ON SAME UNIT)

(ADDRESS OF INSURED)

(KIND OF INSURANCE)

(INSURANCE UNIT NUMBER)

REPORTED ACREAGE	MEASURED ACREAGE	AREA NUMBER	INSURED INTEREST IN CROP	FIXED PRICE OR PRICE FOR VALUING PRODUCTION	PARTIAL INSURANCE PROTECTION
A	B	C	D	E	F

SEE REVERSE SIDE FOR INSTRUCTIONS FOR PREPARING FORM

PART I ACTUAL AND APPRAISED PRODUCTION TO BE COUNTED

ITEM	ACRES (A)	PRODUCTION (Bushels) (B)	COVERAGE PER ACRE (Bushels or Dollars) (C)	COVERAGE (Bushels or Dollars) (D)
1. Acreage threshed and production				
2. Acreage harvested but not threshed and appraised production				
3. Acreage released and reseeded to a substitute crop and appraised production to be counted				
4. Acreage released and not reseeded to a substitute crop and appraised production to be counted				
5. Acreage put to other use without being released by the Corporation and appraised production to be counted				
6. Acreage with reduced yield due solely to cause(s) not insured against and appraised production to be counted				
7. Acreage with reduced yield due partially to cause(s) not insured against and partially to cause(s) insured against and appraised reduction in production due to cause(s) not insured against. Cause Acres	XXX		XXX	XXX
8.	XXX		XXX	XXX
9. Totals			XXX	

PART II COMPUTATION OF LOSS

10. Production, or value of production in the case of monetary insurance	
11. Total loss on the measured acreage (Item 9, column D, minus Item 10)	
12. Loss adjusted to insured acreage (adjustment factor x Item 11)	
13. Indemnity due insured (Item 12 x box D x the entry, if any, in box F)	
14. Cash indemnity in the case of commodity insurance (Item 13 x box E)	

PART III FOR BRANCH OFFICE USE ONLY

15. Premium overpayment due insured	
16. DEDUCTIONS: Premium $ Interest $ Other	
17. Net amount due insured	

PART IV CAUSES OF DAMAGE INSURED AGAINST

	CAUSE OF DAMAGE	DATE OF DAMAGE	PERCENT OF DAMAGE
18. Primary cause of damage			
19. Secondary cause of damage			
20. Other contributing causes			

PART V CLAIM, CERTIFICATION, RELEASE AND ASSIGNMENT

21. (a) I hereby apply for the amount of indemnity due me on the basis of the acreages, the total threshed production, and the appraisal(s) of production set forth in Part I and the facts set forth in Part IV for the insurance unit identified above, and certify that such information is true and correct and that the insured interest shown in Box D represents my interest at the time of loss and is not in excess of the interest reported by me as my interest at the time of seeding.

(b) I hereby release the Federal Crop Insurance Corporation (herein called the Corporation) from all claims for indemnity, damages, or causes of action which I may have arising under the contract under which the indemnity is claimed for the above-mentioned crop on the insurance unit indicated above, such release to become effective upon delivery of a check of the Corporation to me or to my assignee for the amount of indemnity determined on the basis of the facts certified to by me in Section (a) of this Part. I hereby assign and transfer to the Corporation to the extent of the amount of the said check all claims, demands, and causes of action which I may have against any and all persons as a result of damage to the insured crop, such transfer and assignment to become effective upon receipt of the said check.

(c) I hereby irrevocably appoint the Corporation my true and lawful attorney with full power of substitution and revocation for me, and in my name, or otherwise, but for its own sole use to take all proceedings and execute any and all instruments fully to effectuate this assignment and give quittance for all such claims, demands, and causes of action.

Is there an outstanding collateral assignment? (Yes or No)

(Date) 19 (Signature of Insured)

Any misrepresentation of fact made herein will subject the maker thereof to the criminal provisions of the United States Code.

22. I certify that I have made careful investigation of this claim and, to the best of my knowledge and belief, the facts stated herein are complete, true and correct, and were determined in accordance with the applicable regulations and procedures of the Corporation.

(Date) 19 (Signature of Adjustor)

23. I recommend approval of this Statement in Proof of Loss.

(Date) 19 (Signature of State Director)

REDUCTION in Premium for the Contract Due to Changes Reflected on Statement in Proof of Loss (For Branch Office Use Only)

Cash premium previously determined | Revised cash premium

BRANCH OFFICE COPY

Mr. BRAINARD. Mr. Chairman, I assure you that we will give every consideration to the multiple program.

BEAN AND CITRUS EXPERIENCE

This last chart shows the bean and citrus programs. The bean program is minor from the standpoint of size. We have 30 counties in operation, widely spread, from New York, through the bean-producing areas as far south and west as New Mexico. You will note the heavy loss in the bean program in 1951 which resulted from excessive moisture and excessive hail conditions in the New York, Michigan, and Nebraska areas. It is a relatively new program which started with two counties in 1948. Here again we are learning from experience and we expect to improve the soundness of this operation as we have other programs after actual experience was obtained.

The citrus program at present consists of only one county. That is Polk County, Fla. We have 2 years' experience in the county, 1951 and 1952. The program has been very satisfactory so far with considerable interest on the part of the grove people. We are, of course, in a very early stage of insurance experience and program development on this tree crop.

Mr. HORAN. There used to be a saying out West that Florida would not have a good crop, unless they had two "killing" frosts first. That was actually a saying among the fruitmen.

Mr. BRAINARD. Well, Polk County is a county which is located in about the central part of Florida and frost is one of the hazards which we insure against, and, also, hurricane and hail. Because of the high cost of maintaining those groves for production from year to year, the grove owners are very interested in this type of insurance. I might say that we have considerable interest on the west coast in California, also, for some type of a citrus program to cover groves in that area.

Mr. HUNTER. No such program has been inaugurated yet on the west coast has it?

Mr. BRAINARD. No, sir; it has not.

Mr. HORAN. Are you contemplating any program out there?

Mr. BRAINARD. We have made a trip out there to study the situation and have had considerable discussion and correspondence on citrus insurance in California. As yet, we have not been able to come to an understanding or develop an insurance plan acceptable to them and to us. So far as the actuarial information is concerned, they have more frost damage and greater risk out there, consequently we feel that we must proceed rather carefully in developing a program for them that meets their needs and is based on the soundest actuarial foundation we can devise without actual experience.

Mr. ANDERSEN. Mr. Brainard, we recently had a discussion relative to the "quick decline" disease in citrus fruit in Florida. What effect will that have on your program?

Mr. BRAINARD. Mr. Rowe, will you comment on that?

Mr. ROWE. In an attempt to avoid some of those things like this "quick decline" that you speak of, we have a little different type program in our citrus county where we insure against essentially three risks: hurricane risk, freeze risk, and hail.

Mr. HORAN. How can you insure against something that is like "quick decline," or something that is not an act of God? Actually, it is a disease. You cannot insure against a disease, can you?

Mr. BRAINARD. It takes tremendous reserves to cover that kind of a risk, Congressman.

Mr. HORAN. That is different. You can insure against drought, hail, wind, and frost, but how can you insure against anything else?

Mr. BRAINARD. I think what we have been trying to do in our citrus program is to insure only the major risks to the growing crops. So far as our risk is concerned with this "quick decline" problem, we have not included such risks in our coverage and we do not anticipate doing so at the present time.

Mr. ANDERSEN. That was the purpose of my original question. I do not see how disease can be considered. You are insuring only against three known hazards: hurricane, frost, and hail.

Mr. HUNTER. Has the grape industry ever made any inquiry regarding crop insurance?

Mr. ROWE. Not recently. Several years ago we had a minor request for grape insurance.

Mr. HUNTER. Nothing has developed as yet?

Mr. ROWE. No, sir.

Mr. HUNTER. Is that also true of tree fruits, such as plums?

Mr. ROWE. We have had numerous requests for tree fruit insurance and we feel that with our citrus experiment we are in a very early stage of experimenting with insurance on tree crops. There are many differences between insuring tree crops and field crops.

Mr. ANDERSEN. It is going to be difficult, in my opinion, to get into these highly specialized crops of high value per acre, such as fruit and grapes.

Mr. ROWE. Yes, sir, I think that is true, and we are moving rather cautiously in that field. We feel that there are many problems in this field, and we will consider them on a small scale to begin with.

Now, in our multiple-crop insurance, we are attempting to insure certain vegetables that represent quite a large and expensive production in certain areas. By putting them in with our other crops we feel that we can experiment in these speciality crops.

Mr. HORAN. I am glad to hear that you are doing that, Mr. Rowe, because in so doing you do get experience on a small scale that you can expand later on if it is found advisable to do so. Do you insure against floods?

Mr. ROWE. Yes, sir.

Mr. NIKKEL. I think we ought to clear the record on our insurance on flood because of the amount of damage that has occurred in the country recently due to flood. Flood is an insured cause of the loss if it occurs on an insured crop. However, in our actuarial work we have been very careful to try to screen out the areas that are regularly subject to flood because you cannot keep a sound rate for such risks where floods occur frequently, so, Mr. Colby's actuarial tables and maps do exclude flood areas.

Mr. ANDERSEN. Go ahead, Mr. Brainard.

Mr. BRAINARD. I just wanted to give something on the citrus experience. Out of about $138,000 collected for 2 years' premiums we have paid losses of about $2,400.

Mr. ANDERSEN. I assume you have finished with your charts?

Mr. BRAINARD. Yes, sir.

I would like to have Mr. Colby give you a brief statement on the soundness of our operations.

Mr. ANDERSEN. Please proceed, Mr. Colby.

Mr. COLBY. Mr. Chairman, several members of the committee have stated, of course, that this business is a longtime proposition and that it takes a great many years of experience to determine whether or not we are actuarially on a sound basis.

MOVING CAUTIOUSLY IN EXPANDING PROGRAM

We are trying to move very cautiously, and we have not expanded even as much as Congress has given us authority to do for that very reason, because Congress has suggested we not go into areas until we have developed a sound actuarial basis.

WHEAT

At this time we do feel, after 14 years' experience on wheat, that we have made a great deal of progress with the wheat program. We have covered it on a fairly extensive scale. We are reasonably well satisfied with our wheat coverage. Our premium income is in excess of our payments of indemnities. We would like to have a little more reserve than we have, but reserve accumulates slowly.

FLAX

As to flax we feel the same way about it.

We have made a great deal of progress with it, and although we have only had 7 years' history with flax, we have a great deal of wheat history to draw upon and they are quite similar crops.

TOBACCO

Tobacco also falls in about the same category.

I might add that I think that there are two things that contributed to this. Probably the most important was reducing the amount of coverage to the investment or a percentage of the investment in the crop. I think that started us on our way to a sound program. Then by figuring in the actual loss experience as part of the rate, which we do regularly, we can by experience rating establish rates which are sound.

CORN, COTTON, AND BEANS

With respect to corn, cotton, and dry beans we are not entirely satisfied, and there are a lot of questions to be answered before we can say that we are as far along with corn, cotton, and dry beans as we are with the other three crops. So we will continue our policy of proceeding carefully until we have worked out some of the problems that are involved.

MULTIPLE-CROP INSURANCE

On the multiple crops I think, perhaps, that we have gone a little fast, and we are now studying this operation very carefully.

Mr. ANDERSEN. In how many counties do you have multiple-crop insurance?

Mr. COLBY. In approximately 100, and they are all over the United States, extending from Washington and Oregon to New Jersey, insuring some 35 or 40 crops.

Mr. ANDERSEN. I do not think that figure is out of line. I would think, however, that you should go rather slowly until you get a better picture of the results of those that are already under coverage.

Mr. HORAN. The reason we have this program is because our standard insurance companies, as I understand it, would not assume these risks, is not that true?

Mr. BRAINARD. Yes, it is.

FARMERS' PROFITS NOT INSURED

Mr. HORAN. And, therefore, what we are merely doing now is to protect the equity of the owner of a producing property. We are not insuring a profit to him. We are giving him back that which he took out of his pocket to try to produce a crop.

Mr. ANDERSEN. Mr. Horan, I think that you are absolutely right. I would say that in some respects we may be a bit too conservative in regard to crop insurance.

Mr. HORAN. No, Mr. Chairman, I cannot agree with you on that.

Mr. ANDERSEN. Referring to flax there is really no incentive through my area, which is the largest flax-producing area in the United States, to take out this insurance.

Personally, I have contributed year after year for this insurance knowing full well that I would grow at least enough crop so as not to be able to claim a loss. However, the banks throughout that area, as a means of further safeguarding their collateral on their loans, insist upon such insurance. I am in an area where we are assured that we will produce at least 4 or 5 bushels per acre. I must have a total loss to benefit from this insurance. That is why I say that in some respects it is too conservative. And that is why the number of policies is going down year after year.

LONG-RANGE EXPERIENCE ESSENTIAL

Mr. HORAN. We did not get very far in life insurance until we developed the American Experience Table. It took years to do it. It was founded on an actuarial basis, and it really is one of the documents of the 20th century. Presumably, we are building up such an experience table with regard to crop production now. When we have that table we will know what the program should be. Until that time we are going, by acts of Congress, to be on the safe side, and I assume that you gentlemen have also been conservative. If the premiums are too high in your experience, as we go through the years on this program, and I certainly want us to continue the program, we can reduce those premiums. Obviously on citrus fruits you should cut them in half right now, but who knows but what tomorrow they may have a frost in the very areas where you are having this program and, of course, that would wipe out your good record. So, that is what we are dealing with. We are dealing with something not of today, not of tomorrow, not of a few years, but preferably something with 20 to 50 years' experience.

I am very glad that the chairman made the observation that he did.

FLAX PROGRAM

Mr. BRAINARD. I would like to make this one comment in regard to the flax program if I may, Mr. Chairman.

Mr. ANDERSEN. I wish you would. I think the flax programs should be expanded.

Mr. HORAN. I agree with you.

Mr. BRAINARD. The program is working out very successfully. We are earning more in premiums than we are paying out, but the Actuarial Division is considering that in their experience, and the cost has gone down and those county and individual benefits have all been credited back to each county and each individual.

BALANCED PROGRAM

Mr. ANDERSEN. I realize that we are in an experimental program, and we are gaining knowledge year after year. I do not want any of my remarks to lead to any other conclusion in your mind. That is why I am a little disturbed about the loss in multiple crop insurance. I would not want one part of the insurance program to discredit the overall program.

Consequently, I hope we will not plunge too deeply into multiple crops where we could suffer embarrassing losses.

Of course, whether or not the Federal Government pays out $8 or $10 million over a period of 5 years to help out the farmers through this program, or whether it is paid as direct relief makes very little difference financially. In my opinion, however, there is a great difference so far as the morale of the particular recipient is concerned. Thus an insurance program appears to be the best way to handle the situation.

CROP INSURANCE CONTRIBUTES TO BETTER BALANCED AGRICULTURE

There is no question, Mr. Brainard, but that this program, in its final analysis, will aid in keeping a good many hundreds of thousands of farmers producing food so that the rest of the Nation can eat. It will also reduce the severe fluctuations in farm income and create a better balanced agriculture all along the line.

ADMINISTRATIVE COST OF INSURANCE PROGRAM

That brings me to a question that I want to ask you. I think you told us previously that over these 5 years you have operated with a balance of about $2 million.

Mr. BRAINARD. A little better than $2 million.

Mr. ANDERSEN. In other words, a premium reserve of $2,100,000 over indemnities. Of course, that does not take into consideration the amount of money that Congress puts up each year for administrative purposes.

Mr. BRAINARD. No, sir.

Mr. ANDERSEN. Will you place in the record at this point the administrative totals for those various years?

(The information requested is as follows:)

Administrative expenses for fiscal years 1948–53

Fiscal year:	Amount
1948	$4,253,817
1949	4,010,701
1950	4,780,214
1951	5,582,893
1952	6,020,766
1953 (through Mar. 31, 1953)	5,544,372

UNAVAILABILITY OF PRIVATE INSURANCE

Mr. ANDERSEN. It has been brought up previously that private insurance is not available for some or all of these commodities.

Mr. BRAINARD. No, sir; it is not.

Mr. ANDERSEN. I know in Minnesota we may have a little hail insurance available and a few things of that nature. But that has been about the sum total of crop insurance as far as private insurance companies are concerned.

Mr. BRAINARD. That is right.

Mr. ANDERSEN. So, if we did not have an insurance program such as this there would be no insurance against disaster that a farmer could take.

Mr. BRAINARD. Mr. Chairman, as I understand it, that was one of the objectives of establishing the Federal crop-insurance program, to afford coverage for all-risk insurance because of the fact that the farmer could not obtain it from any other source.

Mr. ANDERSEN. That is correct.

Mr. MARSHALL. Mr. Chairman, it seems to me that the Federal Crop Insurance Corporation has been making remarkable strides in the last few years in putting their operations on a business-like basis.

SCOPE OF MULTIPLE-CROP COVERAGE

How many counties in the United States would be eligible for multiple-crop insurance? Do you have the facts and figures on that?

Mr. BRAINARD. Mr. Marshall, I do not have the figures on that, but I would just guess that maybe half the diversified production counties would be potential multiple-crop-insurance counties.

Mr. MARSHALL. Could you put into the record at this point the approximate number of counties that would be eligible? You have stated that 100 counties presently have it.

Mr. BRAINARD. We shall be glad to put that in the record, Mr. Marshall.

(The information requested is as follows:)

Based on the type of program now in operation it is estimated there are approximately 1,000 potential multiple-crop-insurance counties.

Mr. ANDERSEN. I think, Mr. Marshall, you have brought out a good thought there. If you do not have sufficient coverage, there is no way really to secure actuarial experience; is that right?

Mr. COLBY. That is right, sir.

Mr. ANDERSEN. You must have extensive coverage up to a certain point to give you the results that you are looking for.

Mr. COLBY. Yes, sir, that is true.

Mr. ANDERSEN. How many counties do you think it will take for such coverage with multiple crop insurance?

Mr. COLBY. I do not know offhand, Mr. Chairman. We have worked up maps on which we have delineated various parts of the United States. Offhand, I would hate to guess the number.

ACTUAL EXPERIENCE NECESSARY

Mr. MARSHALL. Mr. Chairman, it seems to me that we must recognize that you cannot determine premiums and costs on a laboratory basis as you can in the case of some other programs. The only way you can possibly have a satisfactory experiment would be on the basis of what actually takes place on the farms.

Mr. HORAN. You are dealing with an entirely unscientific problem here. In science you have your benchmarks and you have the one objective you are looking for. In this we are trying to insure against all of the oddities of nature, so it is going to take experience and long study to solve this problem.

Mr. MARSHALL. I think you are entirely correct, Mr. Horan.

Mr. HORAN. We can all hope that this experimental experience in crop insurance may lead to the point where we may even reduce the premiums and increase the indemnities under controlled conditions, but definitely both of those practices will have to be done in terms of known facts, and that is our difficulty. There are so many unknown facts in the field of insurance experience, both in life insurance, in automobile insurance, and fire insurance that in making excursions into the field of crop insurance with all of the vagaries of nature that we have to contend with, we must continue cautiously. It is my observation, and I believe it is the observation of those who know, that our experience with crop insurance since Congress amended the original legislation in 1947, has been good, and I want to compliment these gentlemen for continuing on a cautious level which should result in a program that all of us can live with.

I look forward to the time when we may have insurance on every crop based on a known liability and on known facts.

CALIFORNIA CITRUS PROGRAM

Mr. HUNTER. I wish someone would elaborate on why the Department has not been able to get together with the citrus people in California on an insurance program.

Mr. COLBY. From time to time during the last 6 or 7 years they have shown an interest out there.

As you know, the law with respect to heating equipment has been tightened up a great deal and they were given some 3 years more in which to get the new type of heating equipment, which is very expensive. The county which was most interested in the program was San Bernardino County. Frankly, until that situation clears up, we are disturbed because of the fact that the premium rate may probably be considerably in excess of what they would be willing to pay. San Bernardino County's citrus area is some 100 miles or a little less east of Los Angeles, and has varied growing conditions with respect particularly to freezing. How much effect this new law is going to have is immeasurable at the present time. We are still pretty far apart from the growers out there as to how much the risk is, and we feel that we ought to explore it a little more first.

Mr. HUNTER. At the premiums which you would have to charge, do the citrus growers so far feel they would rather bear the risk themselves, or have you reached the point where you are able to formulate a program?

Mr. COLBY. No, we have not, as yet. It may be that after this new version of the equipment is in, conditions may change.

Mr. HUNTER. Of course, frost conditions vary widely within the State of California.

Mr. COLBY. Yes, sir; that is true.

Mr. HUNTER. It would be very difficult, as a matter of fact, to work out overall actuarial figures for the citrus industry throughout California, without penalizing some growers and favoring others.

Mr. COLBY. That is the most difficult problem of the entire program. If we go into an area we use the best information available to try to arrive at an accurate rate reflecting the risk within a local area.

Mr. HUNTER. The reason I bring up this matter of frost is because that is the major hazard we have for citrus and many other tree fruits, as well as grapes. There are floods in California, but they are pretty much limited. We irrigate, so we do not worry as much about drought as other parts of the country.

Mr. COLBY. The growers have indicated that is about all they need.

Mr. ROWE. Under our law we have a minimum participation requirement for each county and we are concerned about the concentration of risk that we might have in a single county due to this minimum. It seems to us that if we could spread our risk over several counties and start out with a smaller experiment that we might be able to move into this insurance on a sounder basis.

FROST DAMAGE

Mr. HORAN. I do not know whether this subcommittee understands it or not, but frost is something that almost runs down hill like water. You go through an area where you have one grove down in the bottom of the valley and some up here on the hill. That frost will drain down to the lowlands. There you will find trees with good fruit in the top and nothing in the bottom, or none at all, while the damage may be slight upon the slopes.

Mr. ROWE. That is part of the problem—the difference in risk between the groves at the top and the bottom.

Mr. HORAN. If in the bottom of this valley you have a river, it will absorb the frost, believe it or not. The frost will drain down the hillside into that river, but if there is no river, the frost just stays there and closes on everything.

Mr. HUNTER. The severe nature of frost damage was indicated last week in the San Joaquin Valley in the damage to grapes. I believe the overall damage will run somewhere between 10 to 25 percent of the grape crop. Some of the producers are going to lose almost their entire crops, while others will lose practically none. The problem is to find some way to equalize the damage which occurs.

Mr. ROWE. That is one of our paramount problems in California, to be able to establish an equitable rate structure for growers. We do not feel yet that we have been able to arrive at anything very satisfactory without taking excessive risk in the early development stages.

Mr. HUNTER. It is not easy because if we have to depend on premium money the growers will just take a chance.

Mr. ROWE. That is right.

COLD GROVES

Mr. ROWE. We have to be very careful that we do not end up with just cold groves, otherwise operating experience would result in exceedingly high premium rates.

Mr. HORAN. I do not see how you can insure the cold groves.

Mr. COLBY. We have not been able to work out any procedure for doing that because the risk is so great that the premium cost would probably be greater than could be added to the cost of operation.

SAVINGS IN ADMINISTRATIVE COSTS

Mr. ANDERSEN. Mr. Brainard, I notice that in the current fiscal year there was a transfer of $1,052,200 from your operating and administrative expenses to the item, "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration."

How was that money made available for transfer?

Mr. BRAINARD. Mr. Chairman, I would answer that this way. Each year our budget is set up on a workload basis, the projected participation we expect to get, the number of programs we will have, and the number of farmers participating in the program. When our sales campaigns are completed, we place in reserve any part of our appropriation that is not required due to the number of contracts falling below the number anticipated by the budget.

I would like to have Mr. Fretts go into the detail of that.

There is just one more comment, and that is we have no control, as far as we are concerned, as to the use of these funds placed in reserve.

Mr. FRETTS. As Mr Brainard pointed out, Mr. Chairman, a year ago in our sales campaign for the 1952 crop year the participation obtained was considerably short of the estimates that we had previously based our budget requirements on.

Mr. ANDERSEN. You show in your summary on page 273 of the justifications that in 1951 the number of contracts written in all insurance lines was 343,210.

Mr. FRETTS. That is correct.

Mr. ANDERSEN. Now, in 1952 that number dropped approximately 2,500 to 340,686. Mr. Fretts, would that slight drop of 2,500, or less than 1 percent, make available a saving of over $1 million?

Mr. FRETTS. No. In our budget estimates we had projected participation of 486,000 contracts, where, actually, we ended up with the figure shown there of 340,000 contracts. The 340,000 contracts reflect another saving which was effected as the result of the adoption of the cotton sharecropper contract. Prior to 1952 each sharecropper signed a separate contract, and if a landlord had 100 sharecroppers that meant 101 contracts. Starting with 1952 we included all sharecroppers having the same landlord under 1 contract.

So, that accounts for the slight shrinkage in the number of contracts for the crop year 1952 as compared with 1951, but as far as the money requirements were concerned for the crop year 1952 our budget had

been projected on a considerably higher volume of participation. If we do not obtain that participation we do not need all the funds.

Mr. ANDERSEN. What do you anticipate in your budget for 1954?

Mr. FRETTS. For 1954 it is 420,000 contracts.

Mr. ANDERSEN. It also appears that the same amount that was transferred this year is going to be taken from your administrative budget for 1954. Are you going to be able to do it more cheaply than originally anticipated?

Mr. FRETTS. There was initially placed in reserve $552,000. That came about as a result of our failure to obtain the participation that we projected. Obviously, with our workload cut down we did not need as great a number of employees, so we did not increase the number of our employees to the extent that we had projected in our budget.

We accumulated savings up to January amounting to about $100,000, as I recall, by not filling the positions budgeted for. That was in addition to the $552,000 reserved. Then we projected savings for the remainder of the fiscal year, and increased the accumulated savings to $500,000 by the end of this fiscal year.

There is also one other element to keep in mind in this connection, each year we carry over an increased volume of business. We have continuous contracts, and as the volume of business increases we carry over a larger volume of contracts.

Now, the tendency there is to make for efficiency, and it decreases the funds required for new business, notwithstanding the fact that we have an increase in our overall business.

You will notice on page 256 that we show in contract sales and servicing the greater part of our decrease, whereas in crop inspections and loss adjustments we show a substantial increase. That results primarily from the increase in loss adjustments due to the fact that we will have an additional 65,000 contracts in force in crop year 1953 over what we had for crop year 1952. So, we do need more money to make inspections and adjust losses.

Mr. ANDERSEN. Last year you convinced us that you needed $8,500,000 for the proper operation of your Bureau. We gave you that amount. Then suddenly you find that there is a saving that can be transferred. Furthermore you now tell me that you can expand the number of contracts from 340,000 to approximately 420,000 for the same money. I want to commend you on your efficiency. Do I have your assurance that you can do a good job with the $7,350,000?

Mr. BRAINARD. In accepting the reduced budget we are doing it as a challenge which we have accepted to do a more efficient job and to initiate economy wherever we can. I think it is going to be a challenge because we have approximately a 60,000 increase in workload and less money with which to do it than we had a year previous.

I do think, if the expectation of our loss ratios does not run higher than in the past, that by streamlining some of our operations and by careful planning, we can live within this present budget.

However, if we should be hit with an emergency where we have more than the anticipated loss adjustments, I would say it may be impossible for us to service that number of loss adjustments and do them as we feel they should be serviced under the present budget limitations.

However, we are willing to go ahead and make every attempt to operate on the basis of the present budget and to meet the challenge and add every bit of economy and efficiency that we can to get this job done.

Mr. ANDERSEN. That is very commendable, Mr. Brainard, and I think you should do just that.

Mr. BRAINARD. Mr. Chairman, I would like to correct the figures. We are not making an adjustment of the full $1,150,000. The adjustment was made in part on the basis that the workload was reduced to the extent of $552,000.

Mr. ANDERSEN. Of course, from the point of actual operation in 1953 you reduced your funds by $1,052,000. So, with the reduction of $1,150,000 for 1954 you are actually operating with a decrease of only approximately $100,000?

Mr. BRAINARD. Yes, sir, that is right.

Mr. FRETTS. $98,000.

EMPLOYEES IN ADMINISTRATIVE DIVISION

Mr. ANDERSEN. I wish you would describe the work of the people in the Administrative Division for the record.

Mr. BRAINARD. Yes, sir.

(The information requested is as follows:)

ADMINISTRATIVE DIVISION—EMPLOYMENT AS OF MARCH 31, 1953

This division is composed of 19 employees.

OFFICE OF THE CHIEF

The Division Chief is responsible for the formulation and execution of policy and planning for corporationwide organization, management improvement, manpower utilization, and personnel, property, supply and records management programs.

Chief of Division, GS–13
Clerk-typist, GS–3

PERSONNEL SECTION

The Personnel Section performs all of the essential personnel services for the Corporation for Washington and field-office employees. It is headed by a personnel officer who is responsible for all phases of personnel work. He is assisted by: (1) A position classifier who prepares and classifies descriptions for new positions, conducts a continuing review of the Corporation's positions to determine that they are properly described and are classified at the proper grades under the Classification Act, and conducts the performance requirements and rating program; (2) A personnel assistant who is responsible for the employment phases of recruitment, selection, placement, the processing of all types of personnel actions, the maintenance of records and the preparation of reports. This employee is assisted by two clerical employees who perform clerical and typing work in carrying out these functions. There is one other clerical employee who performs duties in connection with employee compensation, employee relations, and retirement. The employees of this Section are responsible for the preparation of instructions and procedures for the personnel functions in Washington and the field offices in accordance with the Corporation's policy and within the framework of the Department's and the Civil Service Commission rules and regulations.

The ratio of personnel employees is 1 for each 157 employees of the Corporation, and is one of the lowest in the Department of Agriculture.

1 GS–12 administrative officer
2 GS–9 personnel assistant
1 GS–5 training assistant (clerical, field)
1 GS–5 employee relations clerk
1 GS–4 appointment clerk

SUPPLIES AND EQUIPMENT SECTION

The work of this Section includes responsibility for the management of the Corporation's property and its proper utilization, the preparation and issuance of leases, the preparation of repair and utility service contracts, the allocation and control of space occupied by the Corporation in Washington and the field, the issuance of purchase orders for supplies, equipment, and for a volume of insurance program documents and forms, the preparation of specifications and invitations to bid, the analysis of bids and the making of awards.

The employee in charge has the assistance of one supply and equipment clerk, a clerk-typist, and a laborer. The employees of this Section are also responsible for the preparation of the procedure for carrying out these functions in accordance with the Corporation's policy.

By combining functions and refining the operations within this Section it has been possible to eliminate one position during the past year.

1 GS–9 administrative assistant
1 GS–5 clerk
1 GS–3 clerk
1 CPC–3 laborer

RECORDS AND CONTROL SECTION

The functions of this section are the communications services and the management, maintenance, and control of the Corporation's records. The employee in charge is responsible for the security of the Corporation's records and for their orderly disposition; in addition to supervising the mail, messenger, and file services. The 6 employees under his supervision are a correspondence classifier, a typist, 2 file clerks and 2 messengers. The employee in charge is also responsible for the preparation of the Corporation's procedure for its records-management program and records disposal program for Washington and field offices, which insures the orderly scheduling of all program records for disposition or retention.

1 GS–7 records-management clerk
1 GS–4 file clerk
1 GS–3 clerk
1 GS–3 clerk-typist
1 GS–2 file clerk
2 CPC–3 messengers

Mr. ANDERSEN. What are the duties of the 19 people in the Program Development Division and the 34 positions in the Finance Division? Put a full answer in the record.

Mr. BRAINARD. Yes, sir.

(The information requested is as follows:)

PROGRAM DEVELOPMENT DIVISION

FUNCTIONS PERFORMED

In this Division such new insurance programs as may be adopted are developed. This includes the developing of a plan of insurance designed to fit the commodity, the preparation of insurance contracts, and the preparation of instructions for field operations. The Division also continuously analyzes the operation of the program in the field to develop improvements in insurance provisions and field operations. It also analyzes and evaluates suggestions from many sources for changes in the program. The insurance contracts and field operating instructions are amended or revised annually, if necessary, to include new improvements. A large feature of the Division's work consists of providing special instructions to meet current problems that arise by reason of special circumstances in local areas.

This Division summarizes and analyzes reports from States on progress of certain field operations and maintains continuing information on progress of operations. Estimates of probable losses are compiled and analyzed from State reports as of five dates each year.

The Division also has certain other miscellaneous functions. It gives special attention to the economic aspects of the program, it maintains certain historical records, it exchanges information with foreign countries where crop insurance is already in operation or where information or assistance is requested, and it prepares the annual report of the Corporation and the report required annually to the Congress.

PERSONNEL OF THE DIVISION (EMPLOYEES AS OF MARCH 31, 1953)

1 GS–14	3 GS–12	2 GS–7	3 GS–4
1 GS–13	4 GS–11	1 GS–5	

The grade 14 and grade 13 are, respectively, the Chief and Assistant Chief of the Division. The grade 12 and grade 11 personnel are in most cases each responsible for a specific insurance program, such as wheat insurance, tobacco insurance, multiple-crop insurance, etc. The GS–7 employees assist in various phases of the work, maintain and analyze the operating reports, and prepare loss estimates. Four of the grade 4 and grade 5 employees are engaged in stenographic and clerical work.

FINANCE DIVISION—EMPLOYMENT AS OF MARCH 31, 1953

The Finance Division of the Federal Crop Insurance Corporation is headquartered in Washington, D. C., and is composed of 31 employees as follows:

OFFICE OF THE CHIEF

The Chief of the Finance Division is responsible for the formulation and development of the Corporation's budgetary and fiscal programs, and also serves as treasurer of the Corporation.

Chief of Division, GS–14
Secretary, GS–5.

BUDGET SECTION

All of the budget work for the Corporation, including budget formulation, execution, and the preparation and submission of related reports, is performed in the Budget Section of the Washington office. Budgeting for the Corporation is more complex than the average Government agency for the reason that not only must a Government-type budget be prepared for administrative funds but also a business-type capital-fund budget covering insurance operations.

Since no allotments are made to any of the field offices, which include 33 State offices and the Chicago branch office, complete control of apportionments is maintained in the Washington office. This necessitates strict control of expenditures for all activities and offices. The Budget Section effects settlement for services performed under the PMA–FCIC agreement on a piecework compensation basis. This Section also collaborates with the Sales Division in establishing county sales goals and determining commission rates for selling crop insurance.

Another responsibility of this section is the analysis and review of expenditures for the preparation of operating workload and cost reports.

1 GS–13 budget officer
1 GS–12 budget analyst
1 GS–7 budget analyst
1 GS–5 fiscal accounting clerk
1 GS–3 clerk-typist

ACCOUNTING SECTION

Plans and develops Corporation policies and standards for all fiscal and accounting activities of the national, branch, State, and county offices; coordinates fiscal policies and activities with program operations. Develops, installs, and maintains accounting systems, procedures, and controls; initiates surveys and analyses to assure conformity with established standards and policies, and to effect improvements and economies; collaborates with Department staff offices and other agencies in devising improved accounting and fiscal practices; develops accounting charts and manuals for fiscal operations. Maintains accounts, internal and branch-office controls, and other related accounting records for insurance and administrative operations; establishes reserves and maintains necessary accounts for contingencies, uncollectible accounts, surety self-insurance, etc. Formulates premium-collection policy and develops premium-collection procedure for field activities; initiates and develops procedures covering periodic reconciliation of premium accounts maintained by branch, State, and county offices. Designs, prepares, and consolidates financial statements and other regular and special financial reports; collaborates with Department staff offices and other agencies in the development and revision of Corporation accounting and financial reporting practices. Maintains continuing liaison with representatives of Department staff

offices, the Treasury Department, the General Accounting Office, and other agencies with respect to fiscal and accounting problems and activities. Examines, certifies, and schedules for payment vouchers chargeable to administrative funds, except branch-office payrolls. Prepares and certifies payrolls for Washington and State office employees. Maintains civil-service retirement and other accounts and records for all employees. Maintains annual- and sick-leave records for Washington and State office employees.

1 GS–13 Government accountant, in charge
2 GS–12 Government accountant
1 GS–4 secretary (stenography)
1 GS–3 clerk-typist

PROGRAM ACCOUNTING UNIT

1 GS–11 Government accountant, in charge
1 GS–9 Government accountant
1 GS–7 fiscal accountant
1 GS–5 accounting clerk

ADMINISTRATIVE ACCOUNTING UNIT

1 GS–11 Government accountant, in charge
1 GS–8 fiscal accountant

VOUCHER EXAMINATION

1 GS–7 voucher examiner supervisor
1 GS–5 voucher examiner
3 GS–4 voucher examiner
1 GS–3 voucher examiner

ACCOUNTING

1 GS–5 fiscal accounting clerk supervisor
2 GS–4 fiscal accounting clerk
1 GS–3 fiscal accounting clerk
1 GS–3 clerk-typist

PAYROLL AND LEAVE

1 GS–5 time, leave, and payroll clerk supervisor
1 GS–4 leave and payroll clerk

Mr. ANDERSEN. What people do you have in the field doing similar work?

Mr. BRAINARD. We will provide that for the record.

(The information requested is as follows:)

FUNCTIONS OF CHICAGO BRANCH OFFICE AND EMPLOYMENT, AS OF MARCH 31, 1953

ACCOUNTING

There are 40 employees performing accounting functions in the Corporation's branch office located in Chicago, Ill. These functions cover the maintenance-of-program accounts for the insurance contracts in force throughout the Nation. Reviews, verifies, and deposits cash receipts. Reviews accounts for proper application of cash payments, deductions, computation of interest and discounts. Prepares and certifies indemnity, refund and administrative vouchers for payment. Prepares payrolls, maintains individual employee accounts and leave records for employees of the branch office. Conducts continuous analysis of insureds accounts for adjustment and compliance with operating procedures. Under special delegated authority approves or denies applications for cancellation, adjustment, or compromise of debts due the Corporation in accordance with statutory authority, regulations of the Department of Agriculture and established policies of the Corporation. Conducts investigations of exceptions to insureds accounts taken by field offices and the Corporation's audit staff, and schedules necessary adjustments. Investigates accounts containing premium over payments and authorizes refunds.

During the 1953 fiscal year this division will process accounting records for about $21,215,000 of premiums and $20,700,000 of indemnities.

1 administrative officer, GS–11
1 stenographer, GS–3
2 fiscal accountant, GS–9
3 fiscal accountant, GS–7
4 fiscal accounting clerk, GS–5
16 fiscal accounting clerk, GS–4
1 clerk-stenographer, GS–3
1 time, leave, and payroll clerk, GS–4
2 clerk-typist, GS–3
2 cash accounting clerk, GS–5
7 fiscal accounting clerk, GS–3

PERSONNEL

There is one employee in the Chicago branch office who performs general personnel functions for that office under the direction of the Washington Personnel Section.

1 personnel assistant, GS–7

SUPPLIES AND EQUIPMENT

There are four employees in the Supply and Equipment Section of the Chicago branch office. The responsibilities of these employees include the management and control of property, equipment, and supplies for that office, and the performance of duplicating services. Their duties include the preparation and issuance of requisitions; the storage and distribution of a large volume of IBM forms for the IBM equipment of the Chicago office where the individual insurance accounts for all policyholders are serviced and maintained; and the maintenance of a centralized supply center for a volume of program forms and documents for 33 State offices.

1 administrative assistant, GS–7
1 supply clerk, GS–4
1 property and stock control clerk, GS–3
1 clerk-typist, GS–3

FILMS AND MOTION PICTURES

Mr. ANDERSEN. What use do you make of films and motion pictures in your Bureau?

Mr. BRAINARD. We have at the present time one film that we are developing for use in selling crop insurance. That is the only one we have had in the past years. Mr. Nikkel, do you want to add anything to that?

Mr. NIKKEL. We have one which is nearly completed. We have not made a movie in recent years since the new program went into effect in 1948.

We have not used movies extensively because they are a rather expensive medium, but we have had constant pressure from our folks in the field that they do have need for a short movie that explains crop insurance and that gets across the idea of it, that they can use not only with farmers, but with business groups and in theaters in the rural areas. As the pressure built up we were satisfied that the money spent to make a movie would be more than justified by the use which it would receive, and so this year we have made a movie and we have about completed it.

It is not an expensive movie as they go. I think our total cost will be about $16,000. A comparable movie if we had not been able to get a great deal of footage from pictures which were already taken, and if we had to go out into the field and shoot most of the picture, would have cost nearer $50,000.

Mr. ANDERSON. Are copies of this movie made available to those in the field?

Mr. NIKKEL. They will be made available through our State directors in the field and will also be used by other interested agencies and groups. They will be used by theaters in rural areas by circulating the films from theater to theater as requested and, of course, at meetings of farmers and interested business groups.

Mr. ANDERSEN. These are administrative films explaining the program?

Mr. NIKKEL. Yes, it is an administrative film. It is not a propaganda film in any way. As a matter of fact, it explains why crop insurance was started, what crop insurance is, and the service it is trying to perform.

STUDY OF CLOUD FORMATIONS

Mr. HORAN. You are aware, of course, that great strides have been made in the last 12 years in the study of cloud formations when clouds do occur.

In fact, in 1943 I think we found out that there was something called the jet area in clouds. We did not know it until that time.

I attended a session down at the Department of Agriculture about 2 months ago where I believe the General Electric Co. had movies of clouds. I attended because of the tremendous interest there is in cloud seeding which, of course, is something that is of interest to you gentlemen. I wonder if any of you gentlemen were there? If not, I want to say that Dr. Reichelderfer of the Weather Bureau was there, and they are now undertaking various experiments in cloud seeding in the State of Washington, and he has promised me that they will document it with film. Whatever their findings will be is a matter of question because 1 year's experimentation may not be conclusive, but if they do find out anything about cloud seeding, if they find anything about the nature of clouds where they exist, they might end drought or cause precipitation where you have liability insurance. Of course, it will be of tremendous interest to you. Dr. Reichelderfer has promised me that a year from now we should have at least a filmed documentation of their experiments there that will be of interest to everyone of you people who are insuring against drought and to people in the Forest Service who might want to cause rain where there are clouds if it is possible to do so. You cannot get rain out of a clear sky, but if there are clouds and it is possible through silver iodide or any other catalyst to precipitate rain, why let us find out about it; let us have his films that will show us how it is done, so we can all understand it.

UTILIZATION OF BUSINESS MACHINES

Mr. ANDERESN. What use do you make of IBM machines in your organization?

Mr. BRAINARD. They are used entirely in our branch office. Mr. Fretts can give you better information than I.

Mr. ANDERSEN. Please put an answer in the record, especially in regard to the percentage of time each machine is in use.

Mr. FRETTS. The time the machine is used compared to the total time?

Mr. ANDERSEN. Yes.

(The information requested is as follows:)

Summary of business-machine rental

[All of the equipment listed below is used in the Chicago branch office for the accumulation of necessary statistics relating to crop-insurance experience, and for the computation and billing of individual premium accounts. This equipment is necessarily used on a rental basis since the machines are not available for purchase]

Type of machine	Number of each type of machine	Company owning machine	Annual rental rate	Percent of time utilization [1]
				Percent
Alphabetical duplicating punch	14	I. B. M	$4, 620. 00	68
Alphabetical verifier	12	I. B. M	5, 544. 00	47
Collator	5	I. B. M	5, 280. 00	56
Sorter	4	I. B. M	3, 168. 00	50
Alphabetical accounting with multiple line printing	3	I. B. M	20, 988. 00	76
Alphabetical summary punching devices	2	I. B. M	14, 230. 33	76
Accounting machine	1	I. B. M	10, 560. 00	76
Reproducing, summary punch machines	6	I. B. M	7, 920. 00	48
Alphabetical interpreter	2	I. B. M	1, 980. 00	69
Calculating punch	3	I. B. M	9, 702. 00	58
Proof machine	1	I. B. M	1, 023. 00	20
Total	53		85, 015. 33	66

[1] According to commercial authorities on the usage of this equipment, 70 percent of time utilization is considered as maximum obtainable production for these machines. For 1952, the average time utilization on these machines was 66 percent, or 4 percent below what is considered maximum possible output.

Mr. ANDERSON. We would like to have inserted at this point in the record an analysis of your basic legal authority, indicating, whether or not it is mandatory or permissive.

(The information requested is as follows:)

STATUTORY AUTHORITY FOR THE FEDERAL CROP INSURANCE CORPORATION

The Federal Crop Insurance Act (7 U. S. C. 1501–1519), which was enacted as title V of the Agricultural Adjustment Act of 1938 (52 Stat. 72), established the Federal Crop Insurance Corporation and authorized and empowered it to insure producers of wheat against unavoidable losses in production resulting from adverse weather conditions, disease, insect infestation, and other hazards. In 1941, the act was amended to authorize the Corporation to insure cotton as well as wheat (55 Stat. 255). The Congress did not provide funds for insurance on crops harvested in 1944 but in December 1944, the insurance program was reinstated as to wheat and cotton and extended to permit the insuring of flax on a national basis and other commodities on an experimental basis (58 Stat. 918). In 1947, the Congress made a number of basic changes in the nature and scope of the crop insurance program the more important of which (1) placed crop insurance entirely on an experimental baiss by restricting the number of commodities for which the Corporation could write insurance and the number of counties in which insurance could be offered; and (2) limited the level of insurance that could be provided to the general cost of producing the insured crop (61 Stat. 718). The act was again amended in 1949 to permit the Corporation to expand through the 1953 crop year and to operate more efficiently the experimental program initiated by the 1947 legislation (63 Stat. 663). This authority is mandatory.

Mr. ANDERSON. Thank you, gentlemen, that will conclude the hearing.

PRODUCTION AND MARKETING ADMINISTRATION

TUESDAY, APRIL 14, 1953.

WITNESSES

HOWARD H. GORDON, ADMINISTRATOR, PRODUCTION AND MARKETING ADMINISTRATION
MARCUS B. BRASWELL, DEPUTY ADMINISTRATOR, PRODUCTION AND MARKETING ADMINISTRATION
H. LAURENCE MANWARING, ACTING ASSISTANT ADMINISTRATOR FOR PRODUCTION, PRODUCTION AND MARKETING ADMINISTRATION
ROY W. LENNARTSON, ASSISTANT ADMINISTRATOR FOR MARKETING, PRODUCTION AND MARKETING ADMINISTRATION
PRESTON RICHARDS, ASSISTANT ADMINISTRATOR FOR COMMODITY OPERATIONS, PRODUCTION AND MARKETING ADMINISTRATION
R. P. BEACH, BUDGET OFFICER, PRODUCTION AND MARKETING ADMINISTRATION
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

Mr. ANDERSEN. The committee will come to order, gentlemen.

JUSTIFICATION OF THE ESTIMATES

We have before us this morning officials of the Production and Marketing Administration. We will insert at this point in the record pages 79 through 80 and 238 through 241 of the justifications.

(The pages referred to are as follows:)

PURPOSE STATEMENT

The Production and Marketing Administration administers the Department's production and marketing programs under the following appropriations: "Agricultural production programs," including acreage allotments and marketing quotas, and production goals; "Sugar Act program"; "National school lunch program"; "Removal of surplus agricultural commodities," including development of new and expanded markets and uses, and marketing agreements and orders"; "Marketing services," including market news service, inspection, grading and classing, and standardization, improvement of marketing practices, freight rates on farm products and regulatory activities; and "Commodity Credit Corporation programs," including price support through loans, purchases, and other means, foreign and other supply activities. For an interim period, agricultural conservation programs will use facilities and field services of Production and Marketing Administration in carrying out the Agricultural Conservation Program. The Production and Marketing Administration also carries out the functions of the United States under the International Wheat Agreement.

In addition, through authorities delegated under the Defense Production Act of 1950, as amended, the Production and Marketing Administration has the responsibility for the administration of (1) food production and distribution programs, including developing requirements, determining priorities and allocations of available supplies, and obtaining basic production required; (2) domestic utilization of farm equipment and fertilizer through requirements, allocations, and distribution controls in order to accomplish required agricultural food production, distribution, and conservation.

The Washington organization of the Production and Marketing Administration consists of an Administrator, a Deputy Administrator, and Assistant Administrators for Production, Marketing, Commodity Operations and Program Coordination, 9 commodity branches which plan and administer or supervise the administration of all PMA programs affecting commodities, and 14 func-

tional and staff branches or offices which are responsible for specific programs or administrative functions affecting all commodities. These branches and offices are as follows:

Commodity branches	Functional and Staff Branches and Offices
Cotton	Food Distribution Branch.
Dairy	Marketing and Facilities Research Branch.
Fats and oils	Transportation and Warehousing Branch.
Fruit and vegetable	Fiscal Branch.
Grain	Office of Administrative Services.
Livestock	Office of Audit.
Poultry	Office of Budget.
Sugar	Office of Compliance and Investigation.
Tobacco	Office of Information Services.
	Office of Personnel Management.
	Office of Price.
	Office of Mobilization Activities.

The field organization of PMA consists of PMA State offices, PMA insular offices in Hawaii and Puerto Rico, PMA county and community committees, PMA commodity offices and field offices of Washington branches and offices.

The Production and Marketing Administration has been delegated authority by the Board of Directors of Commodity Credit Corporation to administer the programs of the Corporation. The Administrator of PMA is the Executive Vice President of the Commodity Credit Corporation, and a member of the Board of Directors, and the Deputy Administrator is Vice President. The Directors of the branches of PMA and the Directors of PMA Commodity Offices are contracting officers of the Corporation.

Statement of Obligations Under Allotments and Other Funds

(Includes only those amounts which, by November 30, 1952, were actually received or programed for 1953 or 1954. Since work for other agencies is performed on a service basis, at the request of those agencies and for their benefit, it is not practicable to estimate in advance the amounts to be received in most cases.)

Item	Obligations, 1952	Estimated obligations, 1953	Estimated obligations, 1954
Agricultural Marketing Act, Agriculture (Production and Marketing Administration): For marketing research and services	$2,121,139	$2,240,000	$2,335,500
Flood prevention, Agriculture (Production and Marketing Administration):			
For preliminary examinations and surveys	91,057	32,000	110,000
For general basin investigations	43,800	26,000	77,000
Total	134,857	58,000	187,000
Working funds, Agriculture, Production and Marketing Administration, advanced from Department of the Army:			
For inspection of fresh and processed fruits and vegetables	600,925	640,000	----------
For inspection of miscellaneous grain and cereal products	58,295	64,000	----------
Total, Department of Army	659,220	704,000	----------
Commodity Credit Corporation:			
For classification of cotton	42,888	100,000	----------
For grading of wool and mohair	35,240	319,000	----------
Total, Commodity Credit Corporation	78,128	419,000	----------
Total, working funds, Agriculture, Production and Marketing Administration	737,348	1,123,000	----------
Working funds, Agriculture, general (Production and Marketing Administration), advanced from Department of the Air Force:			
For indexing and preparation of aerial photographs for mosaics and charting purposes	126,786	205,000	----------
For cost of aerial photography for certain urban areas	9,000	----------	----------

Item	Obligations, 1952	Estimated obligations, 1953	Estimated obligations, 1954
Department of State: Administrative expenses for execution, direction, coordination, administration, and training in connection with point 4 training		$9,000	
General Services Administration: For the production and acquisition of guayule seeds and seedlings on behalf of the national stockpile	$99,583		
Total, working funds, Agriculture, general	235,369	214,000	
Total, working funds	972,717	1,337,000	
Trust funds: Expenses and refunds, inspection and grading of farm products, Production and Marketing Administration:			
For inspection and grading and certification of:			
Fresh and processed fruits and vegetables	2,291,540	2,432,000	$2,425,000
Dairy and poultry products	3,087,015	3,165,000	3,155,000
Rice, hay, beans, peas, seeds, hops, and miscellaneous agricultural commodities	480,759	563,000	550,000
Meats and wool	4,495,764	4,764,000	4,752,000
Naval stores	17,537	20,000	18,000
Total	10,372,615	10,944,000	10,900,000
Miscellaneous contributed funds, Department of Agriculture (Production and Marketing Administration):			
For cooperative research with various contributors on the marketing of fruits and fruit products	10,850	10,850	10,850
For aerial survey and preparation of photographs and charts	101,562	200,000	200,000
Total	112,412	210,850	210,850
Salaries and expenses, Defense Production Activities, Agriculture (Production and Marketing Administration):			
For requirements and allocations	1,143,375	925,800	
For materials and facilities	1,832,220	1,204,200	
Total	2,975,595	2,130,000	
Mutual security (allocation to Agriculture) (Production and Marketing Administration):			
For providing or procuring commodities for other agencies for distribution to foreign claimants	222,039,030	14,834,000	
For expenses incident to the foreign-trainee program	6,603	15,402	
For determination of surplus agricultural products pursuant to sec. 112 of Foreign Assistance Act of 1948	35,356	10,000	
Total	222,080,989	14,859,402	
Obligations under reimbursements from governmental and other sources:			
Conservation and use: For sales of aerial photographs	434,822	400,000	400,000
Marketing services:			
For services rendered cooperating State, county, local and private agricultural marketing agencies and licensed tobacco inspectors	880,576	813,540	813,540
For inspection, grading and classing, and standardization services	1,513,584	2,164,160	2,164,160
For market news service and regulatory activities	12,050	11,650	11,650
Total, marketing services	2,406,210	2,989,350	2,989,350
Commodity Credit Corporation:			
Supply and Foreign Purchase Program	1,292,482	1,100,000	1,000,000
Miscellaneous	435,959	465,435	429,000
Total	1,728,441	1,565,435	1,429,000
All other	109		
Total, reimbursements	4,569,582	4,954,785	4,818,350
Total obligations under allotments and other funds	243,339,906	36,734,037	18,451,700

Background of the Administrator

Mr. Andersen. We have with us Mr. Howard H. Gordon, who has recently been appointed Administrator of the Production and Marketing Administration. I believe, Mr. Gordon, that it would be well to insert in the record at this point a short synopsis relative to your background.

(The information requested is as follows:)

Howard H. Gordon, Administrator, Production and Marketing Administration

Mr. Gordon was born on a farm in Guilford County, N. C., on May 10, 1899, and grew up there. He has had more than a quarter of a century of agricultural experience, ranging all the way from actual farming and agricultural extension work, to Washington and field administration of governmental farm programs.

In 1919 Mr. Gordon was graduated from the North Carolina State College at Raleigh. From that time to 1924 he operated a general crop and livestock farm near Chula in Amelia County, Va. In 1924 he became an extension specialist in agricultural engineering at North Carolina State College, and from 1926 to 1934 he did similar work with the Virginia Extension Service.

In 1934 the new PMA Administrator became State director of the Farm Security Administration in Virginia, and in 1937 he served in Washington in charge of FSA rural rehabilitation work. A year later he became regional FSA director for the area comprising Virginia, West Virginia, Kentucky, Tennessee, and North Carolina. Since 1943 Mr. Gordon has been with Southern States Cooperative, a large agricultural purchasing and marketing association. Prior to his appointment as PMA administrator, he was assistant general manager of that association.

Mr. Gordon is married and has two children: James D., with the Army in Germany, and Nancy, a junior at Madison College, Harrisonburg, Va.

Mr. Andersen. Now, Mr. Gordon, if you have a general statement we will be glad to hear from you.

Mr. Gordon. Thank you, sir.

General Statement

Mr. Chairman and gentlemen of the committee, I am well aware of the pressing problems with which you are faced and am very grateful for this opportunity to discuss with you the major administrative actions taken since I became Administrator of the Production and Marketing Administration, our estimates for the fiscal year 1954, and to solicit your counsel with respect to our continuing operations.

Since this is my first appearance before this committee as Administrator, I would like to state briefly for you my background and experience.

I was born in Guilford County, N. C. My father was a country doctor who also farmed, and I spent all of my time out of school on the farm. After graduation from North Carolina State College in 1919 with a degree in agriculture, my father and I purchased a 600-acre livestock and general farm in Amelia County, Va. I managed the farm and had full responsibility for it. I kept my half of the farm until 1943 and operated it after the first 5 years with farm managers and farm labor.

In 1924 I went back to North Carolina State College as an extension specialist in agricultural engineering and spent 2 years there. I then went to Virginia Polytechnic Institute in the same capacity and was there until December 1934. At that time I was sent to Richmond to

head up the rural rehabilitation program which later became the Farm Security Administration program. I was State director for 3 years, Assistant Director of the Rural Rehabilitation Division in the Washington office for a year and was regional director at Raleigh, N. C., for 5 years.

In October 1943 I left the Farm Security Administration and went with the Southern States Cooperative at Richmond, where I have served as personnel director, director of the marketing division, the general services division and assistant general manager. This is a large farmer-owned regional purchasing and marketing cooperative with a membership of 272,000 farmers in Maryland, Delaware, Virginia, West Virginia, Kentucky, and a portion of Tennessee. I resigned from the Southern States Cooperative when I was asked to come to Washington as Administrator of the Production and Marketing Administration.

Before discussing briefly the individual items in the PMA budget, I would like to summarize the actions taken since January 20. These actions include organizational changes, budgetary review and proposals for changes in the method of carrying out certain programs.

ORGANIZATIONAL CHANGES

The transfer by the Secretary on January 21, 1953, of the Agricultural Conservation Programs Branch from PMA to the status of a separate agency within the Research, Extension and Land Use Group, is the only organizational change which changes the functions of PMA. Policy making and program formulation and planning for the agricultural conservation programs are not now a part of PMA responsibilities, although all of the servicing of the program, including actual operation of the program in the field, is still performed by PMA units.

All other organizational changes affecting PMA have been internal changes. Some are minor in nature.

One important change was the recent decision to place all members of the State and county PMA committees on a w. a. e. basis with a limit on the time they may be employed during the year. This change will separate the policy-forming and policy-executing functions and make it possible to uniformly place responsibilities on specific individuals. State committees and county committees will formulate policies for their respective offices, and the State office administrative officers and the county office managers will carry them out. We believe this arrangement will enable us to utilize the judgment of the best available local farmers in determining local policies, since it will not be necessary for any committeeman to forego giving continuing personal attention to his own farming operations. Furthermore, it will strengthen the committee system by relieving farmer committeemen of routine administrative duties, and enabling them to give more objective policy guidance to the local administration of farm programs. It is planned to replace one or more members of the State committee each year in order to bring in fresh and wider viewpoints from time to time, and at the same time insure continuity through retention of part of the committee from one year to the next. This change will reduce expenses, particularly in the few States where full-time committees were used in the past.

BUDGETARY REVIEW

A few days after assuming office, with the assistance of key staff members, I began a detailed budgetary review of the operations of PMA for the purpose of determining where economies could be effected and what organizational changes were necessary to insure maximum returns for each dollar spent. Each program and activity and each branch and office in PMA was reviewed in detail. Washington units were reviewed on a division-by-division basis and, in some instances, even by specific positions within divisions. Each of the major categories of field offices were reviewed in a comparable manner. These were the major results of this review.

1. Although the personnel strength of the Washington offices of PMA was at its lowest level in the entire history of PMA when we began this review (2,270 employees), we found it possible to reduce the staff another 11 percent from this level by July 1, 1953. This reduction will be reflected in savings in the cost of practically all PMA activities and is reflected in our revised 1954 budget estimates. In making the reduction, we have assured ourselves that it will be reflected in elimination of higher grade positions. Out of 232 positions being abolished through reduction-in-force procedure, 96 are GS–11 or above, including 44 GS–13's and GS–14's. An additional 41 are in grades GS–7 through 9, and the remainder of 95 are grades GS–6 and below, mostly GS–3, 4's or 5's.

2. We are making a reduction of approximately 200 in the full-time employment of the PMA State and insular offices. This is a reduction of approximately 11.5 percent.

3. We have abolished the Office of the Assistant Administrator for Program Coordination. The Offices of Audit, Compliance, and Investigation, Personnel, Budget and Administrative Services report only to the Administrator. As a part of this change, we are combining the Office of Materials and Facilities, the Office of Requirements and Allocations, and the manpower staff and other related staff assistants in the Office of the Assistant Administrator for Program Coordination into one organizational unit for mobilization activities, and reducing it 50 percent.

4. The International Wheat Agreement staff was transferred to the Grain Branch from the Office of the Assistant Administrator for Commodity Operations. The State marketing staff was transferred to the Marketing and Facilities Research Branch from the Office of the Assistant Administrator for Marketing.

5. In the interests of economy, without material impairment of services we are now in the process of closing some field offices, mostly by consolidation and rearrangement of territories. We are closing the PMA commodity offices at New York and San Francisco, the New York City Office of Marketing, 2 field administrative services offices, 2 small fruit and vegetable offices, and, after the close of this fiscal year, 2 field personnel offices, and 3 market news offices now rendering limited local service.

6. The production-goals program for 1954 was discontinued and all unobligated funds provided for this program for the current fiscal year, after provisions for continuing essential work with the Selective Service System and for liquidation costs, were placed in reserve.

PROPOSED CHANGES IN METHODS OF CARRYING OUT CCC PROGRAMS

We have decided on two important changes in the manner in which CCC price-support programs are carried out, both of which are reflected in our revised budget estimates. One is to handle cotton price support operations in the same manner as was done in the 1951 crop year instead of the procedure followed with respect to the 1952 crop. This means that lending agencies will handle the major part of the loans, and that the PMA commodity office of New Orleans will handle all of the loan accounting and inventory-management work. This change, which is in accord with the recommendations of the Cotton Industry Advisory Committee, is being made so that cotton price-support operations may be conducted with minimum interference with normal trade channels.

The other change is the establishment of a small office in Boston to handle all aspects of wool price-support operations. This office began operations on April 1, 1953. Location of this office in the wool-marketing center of the country and centralization of all operation aspects of the program will make it possible to operate the program more effectively.

BUDGET ESTIMATES, 1954

AGRICULTURAL ADJUSTMENT PROGRAMS

We are recommending that this title be used instead of the former title of "Agricultural Production Programs." We feel this title will more adequately describe an item which includes acreage allotments and marketing quotas and assistance on selective service matters, and which will provide for inclusion of work on production guides if necessary at some future time.

The 1954 estimate of $35,600,000 includes funds for the following different jobs:

Acreage allotments and marketing quotas

Peanuts	$2, 300, 000
Tobacco	3, 700, 000
Wheat	13, 781, 000
Cotton	15, 469, 000
Work with Selective Service	350, 000
Total	35, 600, 000

The amount requested for peanut and tobacco acreage allotments and marketing quotas is the same as that used in the current fiscal year.

The supply situation on wheat and cotton makes it appear likely that it will be mandatory under existing law that the Secretary proclaim acreage allotments and quotas for the 1954 crops of both wheat and cotton. Funds for work on wheat and cotton controls were not included in the estimate until a review of the current supply outlook indicated more clearly the likelihood of the necessity for these controls. The estimate is based on the actual cost experienced with the 1950 crop programs for these commodities.

In a separate submission we are requesting permission to use $3,150,000 of 1953 fiscal year funds previously placed in budgetary reserve. This amount, together with $1,350,000 of production goals funds, will be needed primarily to do the work necessary to issue wheat

allotments to individual farmers by July 15, 1953, in accordance with the law. This work includes obtaining acreage history data from individual farmers (approximately 2,100,000 in number) and must be started as soon as possible.

SUGAR ACT

The 1954 estimate for mandatory payments to producers and for administrative expenses of the sugar program is $59,645,000. This reflects a reduction of $105,000 in estimated administrative expenses resulting from our budgetary review, the revised limitation recommended for 1954 being $1,443,776. The 1953 appropriation was $64,998,776, of which $63,500,000 was for payments to producers and $1,498,776 was for administrative expenses.

SECTION 32

The appropriation of 30 percent of the customs receipts for the calendar year 1952 for section 32 purposes as provided by law will increase the availability of these funds by $172,800,000 in the fiscal year 1954. A total of $402,236,056 was available for surplus removal operations in the fiscal year 1953, and if obligations during this year do not exceed $102,236,056, availability for the fiscal year 1954 will amount to $472,800,000.

Our budget review resulted in a reduction of $871,626 in the estimated obligations for administrative expenses in the fiscal year 1954 from the estimate in the original budget. This reflects an anticipated savings of $1,006,626 in PMA expenses, partially offset by a proposed increase of $135,000 in the amount to be allotted to the Foreign Agricultural Service. This increase is to enable the Department to substantially increase its efforts toward expanding foreign markets for domestically produced farm commodities thereby reducing the pressure of large supplies on prices to farmers. This additional work will be directed toward encouraging increased exports of surplus commodities through regular market channels.

SCHOOL LUNCH PROGRAM

The estimate for the school lunch program for 1954 is $75 million, reflecting a reduction of $8,280,000 in the amount for food assistance and a decrease of $85,000 in the amount for operating expenses. The latter amount is the result of planned reduction of all technical services to a minimum and some economies in general service activities resulting from our budgetary review. The reduction in the estimate for food assistance is in recognition of the outlook for continued availability of a large volume of commodities purchsed under section 32 funds for distribution to schools in the fiscal year 1954.

MARKETING SERVICES

The 1954 estimate for marketing services is $11,474,000, the same as the appropriation for 1953 except for rounding. We are proposing a number of adjustments in individual work projects. One of these adjustments will involve discontinuing some present services which are restricted in scope. Another involves the use of all fees earned from the inspection of fresh fruits and vegetables to pay costs of rendering this service.

The budget estimate also includes an estimate of $768,505 required to repay the CCC for advances (plus interest) to the marketing services appropriation to finance the mandatory free classing of cotton and inspection of tobacco which was not placed under CCC price support loans in the fiscal year 1952.

CCC ADMINISTRATIVE EXPENSES

The amount of CCC funds required for administrative expenses in the fiscal year 1954 was estimated at $17,850,000 in the original budget, of which it was requested that $1,850,000 be placed in reserve for use only as needed to carry out unanticipated program operations. Our budgetary review, which resulted in the decision to close two of the then existing PMA commodity offices and further curtailment of Washington branches and offices, enabled us to reduce this estimate to $17,100,000, with no change in the portion to be represented by reserve.

However, later information on actual developments with respect to 1952 crops and the outlook for 1953 crops has caused revisions in our program volume estimates for both the current fiscal year and for the fiscal year 1954. The change in estimated workload reflected in this revision for 1954 was largely the result of anticipated increases in inventories of grains to be held by the CCC, combined with a large increase in workload due to the large volume of cotton loans expected, and due to placing the cotton loan program back on the same basis as it was operated for the 1951 crop.

These revisions, of course, have a direct effect on the estimated number of individual units of work to be handled in the PMA commodity offices and in the estimated cost of operating these offices in the fiscal year 1954. As you know, the estimated cost of operating these offices is determined by applying individual production rates (based on experience) to the number of each type of documents or other units of work which it is known will result from the estimated program volume, and then converting the resulting man-power requirements to cost on the basis of average salaries. Taking these factors into consideration, as well as the savings anticipated through closing two PMA commodity offices and other reductions made in our budgetary review, we now estimate that actual obligations in 1954 for CCC administrative expenses will be in excess of the revised budget estimate by $700,000. Accordingly, we are requesting deletion of the reserve provision included in the language proposed in the original budget.

I am sure you are aware of the difficulties of estimating in advance the volume of CCC price-support operations. Even now, much of the 1953 crops have not been planted. Although there are a number of other factors involved which complicate the problem, we would have to be able accurately to estimate in advance the prices of each commodity if our own estimates were to be accurate, and no one has yet found a sure way to do this. Later this fiscal year, when winter wheat crop prospects are better known, and when acreage planted to cotton, corn, and other spring-planted crops can be more firmly estimated, we will be able to estimate the requirements for administrative expenses in the fiscal year 1954 more accurately. If the program volume is as large as now estimated, we will have to request the

Bureau of the Budget to apportion the limitation in such a manner as to provide larger amounts in the early quarters of the year than could be maintained for the full year with a limitation of $17,100,000.

Increasingly greater demands are being made by CCC on the Office of the Solicitor for legal services. For example, the Warehouse Conversion cases have added substantially to the workload of the Solicitor's Office. The funds transferred to the Office of the Solicitor from CCC have not kept pace with the workload of the Solicitor's Office growing out of CCC activity. It is highly important that the Solicitor's Office be staffed so that it can liquidate its backlogs, without preventing prompt attention to current legal work needed in the day-to-day program operations of CCC. The Solicitor will, of course, discuss with you in detail the situation concerning his office when he appears with respect to his appropriation item. I strongly recommend the requested increase of approximately $93,500 in the amount to be transferred to the Office of the Solicitor.

INTERNATIONAL WHEAT AGREEMENT

The request for reimbursement to the CCC for the cost of the International Wheat Agreement for the fiscal year 1952 is $171,740,395. This includes $167,171,481 of program costs (actual payments plus administrative expenses) and the remainder constitutes interest costs through June 30, 1953. The comparable amount provided for 1953, covering the fiscal year 1951, was $182,162,250.

CAPITAL IMPAIRMENT, CCC

The 1954 estimates include provision of $96,205,161 for restoration of the impairment to CCC capital as of June 30, 1952, as determined by the Treasury Appraisal Committee.

DEFENSE ACTIVITIES

The 1954 estimates before you do not include any funds to finance the present responsibilities of PMA under the Defense Production Act of 1950, as amended. In the absence of any specific information as to the extent of PMA's responsibilities in this field in the fiscal year 1954, it has not been possible to make an estimate of the cost of this work. In view of the substantial reductions we have made in both personnel and estimated funds requirements for regular activities separate provision will have to be made for work on import controls, export allocations, controlled materials, tax amortization cases, farm manpower problems and other work now performed under authority of the Defense Production Act if PMA is to continue this work.

SPECIAL INFORMATION REQUESTED BY COMMITTEE

It is our understanding that the committee is interested in information on economists, procurement and property management, budget work, personnel work, business machines, average salaries and organizational structure. Since this information is quite detailed and rather lengthy, it has been prepared to submit to the committee in the interest of saving time. However, I will be glad to discuss any of these matters if the committee desires.

Now, Mr. Chairman, and gentlemen of the committee, I have with me the Deputy Administrator, the three assistant administrators, and our budget officer.

Mr. ANDERSEN. Will you introduce them to the committee at this time.

Mr. GORDON. Yes. This is Mr. Braswell, Deputy Administrator; this is Mr. Richards, Assistant Administrator for Commodity Operations; this is Mr. Manwaring, Assistant Administrator for Production; this is Mr. Lennartson, Assistant Administrator for Marketing; and this is Mr. Beach, our budget officer.

Mr. ANDERSEN. I think we have seen most of these gentlemen before.

Mr. HORAN. I want to say that I have had the pleasure of working with Mr. Braswell rather intimately, and I am happy to see him in your organization. I think he will be a real help.

Mr. GORDON. You are no happier than I. I have had him with me once before, and I know what he can do.

Mr. LAIRD. I think Mr. Gordon's statement is one of the most complete statements that has been presented to this committee.

Mr. GORDON. Thank you very much.

Mr. ANDERSEN. Yes, Mr. Gordon; we appreciate your statement.

ORGANIZATIONAL CHANGES

You mentioned certain organizational changes in your statement. Have you cleared with the Solicitor of the Department as to your authority to make these various changes?

Mr. GORDON. We have; yes. We have been very careful about that.

Mr. ANDERSEN. There is no question about your authority to make the changes that you have put into effect?

Mr. GORDON. That is right.

Mr. ANDERSEN. I wish you would describe in detail for the subcommittee your organizational plan for PMA, and what will be the relationship to the CCC and the ACP program.

Mr. GORDON. Yes, sir.

Mr. ANDERSEN. You might discuss it from the chart if you have one.

Mr. GORDON. The decision to transfer the ACP program to Mr. Coke's office, the Assistant Secretary, was made prior to my becoming Administrator, and I am not familiar with the reasons back of that change. It was an accomplished fact when I came in, and I have not raised any question with respect to it.

PMA continues to administer the program at the State and local levels and the policies are set in the ACP branch under Assistant Secretary Coke. Aside from that there has been no change in the operation of the program.

PMA STATE AND COUNTY COMMITTEES

There has been a change in the operation of PMA State and county committees. As you probably know, at least half of the State and and county committees in the country were employed on one basis and some of them on another. In the Middle West and in the Northwest we had more full-time State and county committeemen.

In the rest of the country they were very largely on a part-time basis with administrative officers and county office managers. In total, only 11 States employed a full-time State committee.

We were somewhat concerned as to what should be the best approach, so we set up a committee and brought in some men who had had experience in the program over a good many years and others who had made careful studies of the program and they came up with the recommendation that we put all the committees on the same basis, namely, that the State and county committeemen be on a part-time basis, but that they set policies and supervise the administration of the offices through full-time administrative officers and full-time county office managers.

At the county level, of course, they would employ the personnel that they thought advisable and pay them there.

In the case of the State offices, of course, they would come from the civil service registers.

We discussed that matter rather thoroughly with the farm organizations, and also discussed it with the chairmen of the House and Senate Agriculture Committees. All of them were enthusiastic about it, and to date we have had practically no objection from anybody on the change in committees. Everyone we talk to seems to feel that it is a very fine change.

SELECTION OF COUNTY ADMINISTRATIVE OFFICER

Mr. ANDERSEN. What qualifications have you set up for this so-called executive officer at the county level?

Mr. GORDON. If I may I would like to refer that to Mr. Braswell and let him go into that in detail as he is familiar with it.

Mr. ANDERSEN. Will you do that, Mr. Braswell, please. I want to know what the qualifications are for such a man who, I understand, will really be the executive head of the county organization.

First, Mr. Braswell, are the county committees entirely responsible for the selection of the executive officer?

Mr. BRASWELL. Yes; they are.

Mr. ANDERSEN. And that responsibility is limited only in that they must secure a man who will meet the qualifications.

Mr. BRASWELL. We are now working on some revised qualifications, Mr. Chairman. There have been some in various States which differ considerably from State to State.

We have a group of people coming in from our field offices to work on revising those standards, and I believe it is in the next week that they are coming in. We hope to work out a standard which will give the county committees guides as to the qualifications people need to carry out this office administrative function without making them so rigid that they cannot obtain the type of person they want there. For example, we want to state what kind of experience and training these people must have had in order to be an office manager.

Mr. HORAN. May I comment there that you are administering a national program.

Mr. BRASWELL. That is right.

Mr. HORAN. And you must take into consideration the geographical and even the social factors involved in your tenant farming in the South, the factors that predominate in the Midwest, and the influences

that obtain in my part of the Nation. I hope that those standards are flexible enough to allow some jurisdiction in the hands of the local committee in terms of what their monetary situation is and what their circumstances are.

Mr. ANDERSEN. That is what I have in mind, Mr. Horan, and that is why I want detailed information on the policy of the Department in formulating the qualifications for such a position. I do not want those qualifications set in such a way as to take away from the county committees their responsibility in the matter.

Mr. BRASWELL. That is exactly what we do not want to do, Mr. Chairman.

Mr. ANDERSEN. What can you tell us today, Mr. Braswell, about the qualifications that you intend to set up for such a man?

Mr. BRASWELL. Frankly, I have not been into it very thoroughly as to the new changes because we have, as I say, people coming in from different sections of the country, people who have had field experience and who know what it takes to operate a field office well, and we expect to rely heavily on them as to the type of qualifications that should be established. Heretofore the qualifications have been only very general. We intend to have qualifications which would be guides to the committeemen, but which will not be so inflexible that they would deprive the county committee of their right to select worthwhile and competent local individuals to carry out the office management function.

Mr. ANDERSEN. As I have brought out previously in this subcommittee, the strength of our price-support program lies in the fact that it is very close to the farmers through these township and county committeemen. That, to me, is the strength of our farm program. I do not want to see anything done that will weaken the county and township committee setup.

Mr. BRASWELL. I think, Mr. Chairman, that what we are doing is helping to strengthen the county committee.

Mr. ANDERSEN. I have been doing a lot of thinking about this proposed change, and it bothers me. We must be careful not to make the qualifications such that in some counties, perhaps, you will be forced to bring in somebody to hold the position.

Mr. BRASWELL. No, sir; that will not be necessary.

Mr. ANDERSEN. I know that would be unfortunate in my part of the country, because you would affect the feeling of the average farmer that this is his program.

Mr. BRASWELL. I can assure you, Mr. Chairman, that we have no desire to and no intention to fix the qualifications so high as to make it necessary for any committee to go outside of its county and bring in an outsider.

Mr. GORDON. We agree with you on that.

Mr. BRASWELL. I happen to farm in North Carolina, too, and I have the same feeling. We are not trying to do that, but we are trying to get some guides set up to encourage and promote uniformity and efficiency in operations. We believe that can be done without detracting in any way from either the authority or the prestige of the county committee or of the community committee.

Mr. GORDON. I would like to say that what we have in mind is more in the nature of some technical qualifications, business experience and background and training, that kind of thing.

Mr. HORAN. Is not that a safety factor?

Mr. BRASWELL. Yes, it is a safety factor.

Mr. HORAN. Because if you are looking for that you can find it on the home ground.

Mr. GORDON. There is no intent to import it.

Mr. ANDERSEN. Will these county managers be under civil service?

Mr. BRASWELL. They will not. They are employed by the local board, the local committees.

Mr. ANDERSEN. They will not be placed by civil service?

Mr. BRASWELL. No; they will not be placed by civil service.

Mr. ANDERSEN. That would be bad psychology if it were done.

Mr. BRASWELL. No, sir; it will not be.

Mr. ANDERSEN. What salary do you intend to pay these men?

Mr. BRASWELL. Actually, the salaries vary a great deal throughout the different parts of the country. We have not attempted to set any specific salary which would prevail throughout the Nation.

Mr. ANDERSEN. But you must have some idea as to what you will pay these men.

Mr. BRASWELL. It will range from $2,500 to $4,000.

We have not attempted to say that every person in that position will draw the same salary regardless of where he is located.

Mr. ANDERSON. Of course, one objective of the change is for more efficient operation.

Mr. BRASWELL. Yes, sir; that is correct.

Mr. ANDERSON. Do you anticipate that you are going to save on the expense end?

Mr. BRASWELL. There should be some saving, and I think the saving in efficiency will also be considerable.

Mr. ANDERSON. I am going to ask you that same question 1 year from now.

Mr. BRASWELL. I hope that we can answer it with the same feeling as today, Mr. Chairman.

Mr. HUNTER. Do you think you can get the right kind of people for these jobs at salaries from $2,500 to $4,000?

Mr. BRASWELL. Most of the offices have people who are paid on a full-time basis.

Mr. ANDERSEN. It would have to be a full-time job.

Mr. BRASWELL. Yes, sir, it would have to be. We anticipate a full-time county office manager.

Mr. HUNTER. I just cannot envision much executive ability being available at that salary bracket.

Mr. GORDON. We would not get any at the lower salary level in your State, Mr. Hunter.

Mr. BRASWELL. Conditions in that respect vary over the Nation a great deal. Some of the county offices are in small towns. They are in sections where you can get very competent people for much lower salaries than you could in your State, for example, and we are trying to work the thing out so that each area of the country can operate efficiently.

Mr. ANDERSEN. Now, Mr. Braswell, what is going to be the psychological effect on the members of the county committees when they are virtually replaced by this office manager? Is it going to take away from them their interest in the program? Or do you

think that they will be kept a part of it to such a degree that they will continue their vital interest?

Mr. BRASWELL. I think that their vital interest will be continued. I do not think that there will be any lessening of interest at all. I think many of them are going to be glad to be relieved of some of the day-to-day paper handling that they have been doing.

Many of our committeemen have said that they did not want to spend as much time day after day as they do on it. This is because they try to set policy and then have to meet regularly to observe how the policies are being carried out. To my mind the changes and new policies would produce results that way. The county office manager will report to them and be responsible to them and work under their direction. I see no lessening of their authority. In fact, I think it might increase it.

Mr. ANDERSEN. Mr. Gordon, do I have your assurance that in this particular change you will not take away from the township and county committees any of their present-day authority?

Mr. GORDON. That is certainly our intention.

I might point out that out of 9,096 county committeemen that only 1,144 are full time now, so that anyway only about 12½ percent of them will be affected.

Mr. ANDERSEN. From the monetary viewpoint it has been brought out in this subcommittee many times that the average township committeeman receives only about $87 a year in compensation.

Mr. GORDON. It is about $55.

Mr. ANDERSEN. Is that the latest figure?

Mr. BEACH. For the fiscal year 1952.

Mr. ANDERSEN. What is the latest figure for committeemen?

Mr. BEACH. $7.40 per day for community committeemen and $8.10 for county committeemen. That would make $433.91 annually for county committeemen and $55.25 annually for community committeemen.

AVERAGE PAYMENTS TO TOWNSHIP AND COUNTY COMMITTEEMEN

Mr. ANDERSEN. I wish at this point in the record you would insert a table showing for the past 10 years the average payments to township and county committeemen.

Mr. WHITTEN. Mr. Chairman, could we have added to that a division showing what part of the cost was mileage, what part was per diem, and also an estimate as to the total number of days actually put in. The facts are that for each day for which they draw pay most of them have been putting in about 2 days, judging from the areas with which I am familiar. I would like to have the record show approximately how much actual time was put in.

Mr. ANDERSEN. Will you have that done?

Mr. BEACH. We would have to go to the States to get the actual time they spend. Our records indicate only the time for which they are paid.

Mr. ANDERSEN. We would not want to hold up the record, so place whatever you can in the record.

(The information requested is as follows:)

Number, average days worked, average annual salary, and total salary cost, county and community committeemen, fiscal years 1944–53

Fiscal year	Number of committeemen		Average number of days worked per committeeman per year		Average annual salary cost per committeeman		Total salary cost for all committeemen	
	County	Community	County	Community	County	Community	County	Community
1944	9,093	104,790	96.5	7.5	$544	$36	$4,943,725	$3,762,845
1945	9,093	97,663	85.7	6.4	489	32	4,446,486	3,110,963
1946 (estimated)	9,090	97,663	60.6	4.6	421	34	3,829,669	3,307,962
1947	9,087	97,529	51.7	3.6	359	22	3,257,727	2,113,181
1948	9,090	84,859	33.4	3.7	299	21	2,719,216	1,821,740
1949	9,066	79,927	44.1	6.5	304	40	2,753,230	3,227,629
1950	9,093	86,541	71.6	9.5	587	69	5,338,515	5,947,152
1951	9,096	86,382	49.5	6.0	371	45	3,378,656	3,878,399
1952	9,096	85,638	53.6	7.5	434	55	3,946,838	4,731,249
1953 (estimated)	9,096	85,638	52.1	6.7	422	50	3,836,176	4,262,592

NOTE.—Prior to 1950 average mileage paid to county committeemen was about 3 cents per mile. 41 States now pay county committeemen an average mileage of about 5 cents per mile. In a few States community committeemen receive mileage for travel to the county office once or twice a year. No States pay per diem in lieu of subsistence for travel within the county.

Mr. HORAN. I want to agree with my colleague from Wisconsin, that this is an excellent report. I have underlined your statement relative to the local county committeemen, and I think you are taking a step in the right direction. I do not believe that there is any disagreement at all on this subject.

If we are going to serve agriculture throughout the United States we must pay attention to conditions as they actually exist at the local level. The conditions in my State are much different from those in Georgia, and conditions in California can be quite different from those in New England. We cannot run everything from Washington. That has been dogma ever since Jefferson so clearly enunciated it. I think you are working in the right direction, and I want to be useful and not troublesome in that direction. I want to assist in every way I can, and I hope that you will call on me, as the representative of a small but very important segment of this Nation, if I can be useful.

Mr. GORDON. Thank you very much, Mr. Horan.

Mr. HORAN. The whole object of production, as you know, is consumption, and in between we have programs that sometimes hold up consumption and sometimes lead to a large storage of surpluses, and so forth. A lot of problems have developed since World War II. We have hard and soft currencies, and we have found our international markets almost completely dissipated. I understand it to be one of the major objectives of the present administration to attempt to enter that field and see what can be done by means of almost aggressive operations in foreign countries to regain our foreign markets for surplus agricultural production, even going so far as to change the name of the Office of Foreign Agricultural Relations to Services.

Mr. GORDON. That is right.

RELATIONSHIP WITH OFFICE OF FOREIGN AGRICULTURAL SERVICE

Mr. HORAN. And setting up under that heading a branch known as Trade Promotion Activities. What will be your relation, as far as your responsibility for the Production and Marketing Administration is concerned, with the Office of Foreign Agricultural Service?

Mr. GORDON. We expect to have very close relationships with them. We are in constant touch, of course, with them at all times, and as indicated in the outline here, we are recommending an increase of $135,000 in the section 32 funds used in the operation of their Office. We are going to try, through that Branch that you just mentioned, to see if it is not possible to market as much of these surplus commodities as we possibly can. We feel that there is a real opportunity there, and if it is aggressively pursued the Foreign Agricultural Service can render a great service to agriculture and the Department. It is going to be our purpose to work very, very closely indeed with Mr. Short and his staff on that matter.

Mr. HORAN. In that connection, 30 years ago the National Grange made quite an issue on what they called export debenture.

Mr. GORDON. Yes.

Mr. HORAN. Whereby we would use tariff receipts to help to sell agricultural commodities abroad, while by another name we have had that program in every county and have had it for almost 15 years, calling it section 32 funds.

Lately our national farm organizations have been talking about two-price systems. We have had that also by other names. We do not call it the two-price system, but section 32 funds have been mentioned. We also have the International Wheat Agreement, and the International Wheat Agreement could be called a two-price system. I just wonder if we are going to become honest with ourselves and the American people and label it a two-price system.

Mr. GORDON. I can only say this: that a number of these industry advisory committees which have come in at the invitation of the Secretary have discussed the two-price system and have indicated some interest in it, in wheat and dairy products. They have set up small working committees which will meet from time to time to try to develop what they consider to be the best approach to their problems, and in those two commodities, in particular, they have discussed the two-price system and have indicated their desire to see if they cannot work out something that would be effective in their particular industry.

Mr. HORAN. The only way we can overcome the difficulties of currency restrictions and currency incompatabilities in the world, I think, if we want to live in today's world and export today's production of food, is by resorting to that type of operation. I do not like it, and I know that there are importers in other countries that do not like it. They have resorted even to cupidity in the banking field in order to receive, against import restrictions, our commodities. That has been done by the low countries particularly. They have shown a great deal of skill in getting around some of the restrictions, but I just hope in our activities we can overcome a situation which afflicts both our own and Canada's international trade at this time.

EXPLANATION OF ORGANIZATION CHARTS

Mr. GORDON. Mr. Chairman, you spoke a moment ago about these charts. Did you want those explained?

Mr. ANDERSEN. It might be well at this point to do that.

Mr. GORDON. Mr. Beach developed those charts, and I wonder if he might not present them?

Mr. ANDRESEN. That will be satisfactory.

Mr. BEACH. Mr. Chairman, what we have done is to try to put in simple form the organization of PMA, in this manner: We have taken the description of the PMA organization that was in existence, say, as of January 15, and have marked it to indicate the changes that have taken place since January 20.

The first chart is a small one which shows, very briefly, the organizational setup, including the Office of the Administrator, the commodity branches, the Programs Branch, of which there is only one, and then the functional and other branches. There, again, we have indicated by typewritten notes the changes that have taken place since January 20.

The same thing is true of this larger chart, which is a functional chart, showing very briefly the functions of each one of the organizational units included in PMA, broken down into 3 or 4 major categories, and then it shows the different categories of field offices. It brings together a tremendous mass of individual organization charts.

Mr. ANDERSEN. I want to reiterate, Mr. Beach, that the small block at the bottom representing township and county committees is the most important one of all. Unless you have the support in the future of all of the farmers, through the township committees and county committees, eventually the whole price-support program is going to fall of its own weight.

Mr. GORDON. We quite agree with you.

Mr. ANDERSEN. Do you have any further comment on the large chart, Mr. Beach?

Mr. BEACH. I have nothing further, Mr. Andersen. I would like to insert here a detailed discription of the setup.

(The information is as follows:)

PRODUCTION AND MARKETING ADMINISTRATION ORGANIZATION

I. Washington organization of PMA consists of:

A. Office of Administrator
- 1. Administrator:
  - a. Responsible for:
    - (1) Formulation and administration of production and marketing programs and activities assigned to PMA by Secretary's Memorandum 1226, including:
      - (a) Administration of programs and activities of CCC
      - (b) Formulation and administration of those phases of Defense Food Program assigned by Secretary's Memorandum 1270
  - b. Establishes policies governing formulation and administration of PMA programs
  - c. Directs and coordinates execution of policies and programs carried out by PMA Washington and field offices
  - d. Serves as Chairman, PMA Defense Program Review Board
- 2. Deputy Administrator:
  - a. Participates with Administrator in formulating and administering policies and programs of PMA
  - b. Serves as member of PMA Defense Program Review Board
  - c. In absence or unavailability of Administrator, acts in his capacity
- 3. Assistant Administrators for Commodity Operations, Marketing, and Production:
  - a. Assist Administrator in planning and administering all PMA and CCC policies, programs, and activities
    - (1) Each Assistant Administrator responsible for coordinating all PMA activities within assigned area of program and administrative operation

B. Commodity branches (9) (cotton, dairy, fats and oils, fruit and vegetable, grain, livestock, poultry, sugar, tobacco)
1. General responsibility:
a. Formulating and recommending to appropriate Assistant Administrator policy and program plans in connection with:
(1) Price support
(2) Storage facilities
(3) Commodity export, including International Wheat Agreement
(4) Production adjustment
(5) Surplus removal
(6) Export and diversion
(7) Supply and foreign purchase, including production and stockpiling under sections 302 and 303 of the Defense Production Act of 1950
(8) Marketing research
(9) Service and regulatory acts
(10) Marketing agreement and order programs
b. Determining, and through appropriate PMA program and staff offices and Assistant Administrators, making recommendations on:
(1) Supplies, requirements, and allocations of food
(2) Requirements for:
(a) Nonfood materials and facilities
(b) Tax amortization
(c) Loans
(d) Construction
(e) Manpower needs
(f) Price policy and price determinations and regulations
c. Execution of:
(1) Defense food orders
(2) Marketing research
(3) Service and regulatory programs
(4) Marketing agreement and order programs
d. Preparing instructions and procedures for signature of appropriate Assistant Administrator with respect to programs carried out through PMA field offices and agents of CCC; reviewing program progress through inspection and reports
2. Specific responsibility—regulatory and other acts:
a. Cotton Branch:
(1) Cotton Futures Act
(2) Cotton Grade and Staple Statistics Act
(3) United States Cotton Standards Act
(4) Cotton Service Testing Act
(5) Cotton Fiber Testing Act
b. Fruit and Vegetable Branch:
(1) Standard Container Acts
(2) Produce Agency Act
(3) Perishable Agricultural Commodities Act
(4) Export Apple and Pear Act
c. Grain Branch:
(1) United States Standards Act
(2) Federal Seed Act
d. Livestock Branch:
(1) Packers and Stockyards Act
(2) Federal Insecticide, Fungicide and Rodenticide Act
(3) Wool Standards Act
e. Sugar Branch:
(1) Sugar Act of 1948
f. Tobacco Branch:
(1) Tobacco Stocks and Standards Act
(2) Tobacco Inspection Act
(3) Tobacco Seed and Plant Exportation Act
(4) Tobacco Compact Act
(5) Naval Stores Act

C. Program branches (1):
1. Food Distribution Branch:
a. Formulates and executes policies and procedures in connection with:
(1) National school-lunch program
(2) Plentiful foods program
(3) Direct distribution of commodities acquired under surplus removal and donation of price support inventories which are in danger of spoilage
b. Responsible for:
(1) Determining food requirements and acting as claimant for United States civilians
(2) Developing and executing programs to meet specific or emergency food problems
(3) Determining and, through appropriate PMA program and staff offices and assistant administrators, making recommendations on requirements of distributive food trades for nonfood materials, facilities, manpower, and so forth, and construction cases for wholesale food facilities

D. Functional and other branches and offices (11) formulate and execute policies and procedures in respective area of responsibility. Recommendations on all programs and activities made through appropriate PMA program and staff offices and assistant administrators.
1. Administrative Services conducts:
a. Space planning
b. Communication services, including leased wire for Market News Service
c. Forms development and control and procedures control
d. Procurement of supplies, equipment, printing and binding services, and reproduction services
e. Defense activities related to designated safe areas
f. Protection of property and equipment
g. Security clearance
2. Audit conducts:
a. Audits of PMA, CCC, their agents, and others
b. Cost analyses relating to contracts between PMA or CCC and commercial organizations
3. Budget conducts:
a. Formulation, presentation, and execution of PMA and CCC budgets
4. Compliance and investigation:
a. Conducts investigations to develop information to facilitate prevention and detection of fraud, violations, and irregularities in administration of PMA and CCC programs
b. Conducts general-accounting investigations
c. Advises with respect to commercial-accounting systems required to facilitate compliance checks under marketing agreements and orders
5. Fiscal:
a. Prescribes accounting procedures to PMA offices and fiscal agents in carrying out fiscal functions and maintains overall supervision
b. Coordinates claims and collection activities
c. Maintains central office accounts and related records
d. Prepares reports on financial operations
6. Information services:
a. Develops and maintains informational services, including editing and preparing regular and special informational material

D. Functional and other branches and offices, etc.—Continued

7. Marketing facilities and research:
   a. Formulates and executes cross-commodity marketing research pertaining to:
      (1) Marketing facilities
      (2) Handling
      (3) Transportation
      (4) Storage
      (5) Wholesaling
      (6) Retailing
      (7) Market News
      (8) Grading
   b. Develops plans for marketing facilities
   c. Assists in bringing about improvements in such facilities methods, practices, and service
8. Personnel Management:
   a. Carries out activities governing:
      (1) Personnel management
      (2) Organization and methods
      (3) Management improvement
   b. Conducts following services:
      (1) Classification
      (2) Employment
      (3) Training
      (4) Safety
      (5) Employee relations and related personnel services
9. Office of Price:
   a. Develops guides and standards for use in establishing differentials and margins in price support and inventory disposal programs and of legal minimum prices
   b. Reviews recommendations of commodity branches with respect to:
      (1) Price support levels
      (2) Price aspects
      (3) Economic implications of defense programs
      (4) Import restrictions
      (5) CCC and section 32 policy and operational dockets
   c. Provides guidance and specialized economic assistance in connection with price problems having either domestic or foreign implications
   d. In cooperation with other agencies, evaluates economic inflationary pressure and trends relating to price programs affecting agricultural commodities
   e. Conducts specialized economic analyses in agricultural price field
10. Transportation and warehousing:
   a. Responsible for:
      (1) United States Warehouse Act
      (2) Execution of programs relating to refrigerated storage, market news, and marketing services with respect to rates, services, and facilities in connection with transportation of farm products, including appearances before Federal, State, and other regulatory bodies
   b. Arranges ocean transportation on designated programs
   c. Makes recommendations on:
      (1) Public transportation
      (2) Storage requirements
      (3) Tax amortization
      (4) Loans
      (5) Construction
      (6) Manpower

      for ice industry and public cold storage food lockers
   d. Carries out other defense responsibilities relating to storage and transportation

D. Functional and other branches and offices, etc.—Continued
11. Mobilization activities:
a. Developing current and long-range requirements for nonfood materials and facilities needed in production, processing, and distribution of food
b. Acting as claimant and providing agricultural representation on interagency committees concerned with materials and facilities
c. Assisting manufacturers, processors, agricultural suppliers, and farmers in obtaining materials, facilities, equipment, etc., to support or implement defense food program
d. Handling certificates of necessity in connection with tax amortization and section 302 loans
e. Allotting controlled construction materials and granting priorities for other construction materials and production equipment
f. Developing requirements, determining available supplies, and allocating supplies of food
g. Evaluating estimates of requirements of various claimants for domestically produced and imported food
h. Evaluating total supply estimates of food; relating total requirements to total supply
i. Recommending and controlling allocation of supplies to claimants
j. Reviewing, coordinating and recommending:
(1) Production goals
(2) Export control orders for agricultural commodities
k. Executing import-control orders

II. Field organization consists of State, insular, and county offices, commodity offices, and other field offices.
A. State and county offices, directed by committees, responsible for administration of all PMA programs in field.
1. State committee, appointed by Secretary, is composed of from 3 to 5 members, 1 of whom serves as chairman
a. Committeemen selected to provide, insofar as possible:
(1) Representation from all geographical areas of State
(2) Representation of important agricultural commodities and major types of farming in State
b. Chairman serves as chairman, State agricultural-mobilization committee
2. County committee, composed of not more than 3 members, elected by community committeemen delegates at county convention
a. Community committeemen elected by neighbor farmers
b. County committee chairman serves as chairman, county agricultural-mobilization committee
B. Commodity offices.
1. Responsible for, within assigned areas:
a. Transportation and warehousing of commodities
b. Accounting for commodity program activities
c. Commodity procurement and disposition
C. Commodity branch field offices
1. Responsible for field operation of:
a. Marketing research
b. Marketing services
c. Marketing agreements and orders
d. Regulatory responsibilities
D. Program and functional branch and office field offices, in general, are responsible for carrying out field operations of branch or office.

Mr. WHITTEN. As I understand the situation now, the soil conservation work has been taken away from the PMA, so far as formulation of programs and that kind of thing is concerned?

Mr. GORDON. That is true.

COMMUNITY COMMITTEEMEN

Mr. WHITTEN. How has the PMA been handled in the country? What have the various units done, how were members selected, what responsibilities did they have and in what field, prior to this change?

Mr. GORDON. Of course, the work in the county offices will differ greatly.

Mr. WHITTEN. Mr. Gordon, as I understand it, in each community the farmers elect representatives to the community committee, do they not?

Mr. GORDON. Yes, sir.

PAYMENTS TO COMMUNITY COMMITTEEMEN

Mr. WHITTEN. And those folks are paid at what rate per day?

Mr. GORDON. About $7.40 a day.

Mr. WHITTEN. Does that include mileage to and from the place of work?

Mr. BEACH. No, sir. The average daily salary is $7.40.

Mr. WHITTEN. How much is the average annual amount they collect for the duties they perform?

Mr. BEACH. In 1952 they collected an average of $55.25 each for salary.

Mr. WHITTEN. Would you say that you are wrecking the Treasury by paying an individual that much to do the job they do? What are the duties of these community committeemen that are elected by the farmers in the community?

Mr. GORDON. To begin with, considerable of the time they put in is spent in learning the details of the program.

Mr. WHITTEN. What program is that?

Mr. GORDON. Whether it be ACP or acreage allotments, or what have you, they must know what the program is, and the remainder of their time is taken in whatever work is necessary to carry out the program within their particular community.

Mr. WHITTEN. They work in their community and must see that the practices are carried out as they are intended?

Mr. GORDON. That is right.

Mr. WHITTEN. They must also see that the farmer meets all the requirements and specifications for doing it?

Mr. GORDON. That is right. In other words, it is their job to pass on to the farmers in their community the information with respect to the various programs in which farmers are interested.

Mr. WHITTEN. Do you know of any cheaper way to do that? How many community committeemen do you have? I believe there are three to the community?

Mr. ANDERSEN. Three in each township.

Mr. WHITTEN. That is about $155 a year for the folks that formulate this program within the county and go out and check to see what has been done within that community; it that right?

Mr. GORDON. Yes, sir.

Mr. WHITTEN. Do you know any cheaper way of getting that done?

Mr. GORDON. No, sir; I do not.

Mr. WHITTEN. Do you know of any way to bring them closer to the farmers in that community than to let the farmers of the area select them?

Mr. GORDON. No, sir.

Mr. WHITTEN. Under the old setup what were the responsibilities of the county committees?

Mr. GORDON. They work in their responsibilities at the county level just as the community committee does on the local level, and, then, in addition, they are responsible for the clerical and all other detailed work which is handled in the county office.

Mr. WHITTEN. They are responsible, but they do not do the detailed work; they hire someone to do it. In the average county they have a PMA official who heads up the office.

Mr. GORDON. Yes, sir.

Mr. WHITTEN. They hire a person to do the detailed work and he reports to you and is under your department and you can remove him if he is unsatisfactory, with the approval of the county committee. Has that been the old system?

Mr. GORDON. Yes, sir. There is essentially no change in that.

Mr. WHITTEN. Under this proposed change where you will have this so-called specialist, is that going to be the same man, or are you changing the name so you can let someone out and put someone else in?

Mr. GORDON. No, sir; that is not the plan.

Mr. WHITTEN. If there is any change, I am against it. But actually from what you say I cannot see where there is any change to amount to anything.

Mr. GORDON. I tried to bring out in my statement the fact that the system which we are putting into effect, has very largely been in effect in, perhaps, the majority of the county offices.

Mr. WHITTEN. I do not believe you can do the job any more cheaply than with the present committee system. And I do not believe you could have a more satisfactory control than to let the people in the community select three of their own folks who work part time to do it.

Mr. GORDON. That is right.

ELECTION OF COUNTY COMMITTEEMEN

Mr. WHITTEN. How are these county committeemen elected?

Mr. GORDON. They are elected, as I understand it, by delegates selected at the same meeting in which the community committeemen are elected, and in the same manner.

Mr. MANWARING. The law provides that there will be a community committee and that there will be county committeemen elected. What we do, and as Mr. Gordon began to explain, is to have elected at the community meetings delegates who will go to a county convention and there they will elect a county committee. In many places, the delegate and the chairman of the community committee, are one and the same. In other words, they propose that the chairman of the community committee be the delegate and then he goes to the convention and the election is held.

In other places, the delegate is not the chairman of the community committee, so that in such case, he would be a different person. They might be the same and they might not be the same, but according to

the procedure, there is a delegate for each community and the delegates get together and elect a county committee.

Mr. WHITTEN. They are elected.

Mr. GORDON. That is right.

Mr. WHITTEN. And, they are farmers.

Mr. GORDON. That is right.

Mr. WHITTEN. And they are usually members of their community, as has been shown here.

Mr. GORDON. Yes, sir.

Mr. WHITTEN. They are usually members of the community committee, are residents of that county, are farmers, and are elected by the farmers.

Mr. GORDON. Yes, sir.

Mr. WHITTEN. How much time do they put in and what do they receive as pay, on the average?

Mr. GORDON. Their pay is about $8.10 a day and they put in a little under 54 days—53.6—and their compensation for the country as a whole averaged $433.91 in the fiscal year 1952.

Mr. WHITTEN. How many do you have in the Nation?

Mr. BEACH. We usually consider we have 9,096, which is 3 men per county.

Mr. WHITTEN. They have the full responsibility, countywise, for helping to formulate policy and select the ACP programs?

Mr. BEACH. Yes, sir.

Mr. WHITTEN. And they are responsible for the supervision of that office where you conduct your operations?

Mr. BEACH. That is right.

Mr. WHITTEN. And, that includes your price support program?

Mr. BEACH. Yes, sir.

Mr. WHITTEN. Mr. Gordon, do you know any cheaper way to do that?

Mr. GORDON. No, sir.

Mr. WHITTEN. They have an office in each of these counties where they keep up with all the program work, issue all the notices, and keep the records. And they also have control of the acreage in any of the areas where you have it?

Mr. GORDON. That is right.

Mr. WHITTEN. They have the acreage controls now for tobacco and peanuts.

Mr. GORDON. Yes, sir.

Mr. WHITTEN. And they will have it under cotton and wheat—and all the rest of it if we reach that point, and it looks as if we will.

Under this change, there will be a man who is selected by you, but who must be approved by the farmers?

Mr. GORDON. No, sir; he is selected by the county committeemen.

Mr. WHITTEN. They elect him now?

Mr. Gordon. Yes, sir.

Mr. WHITTEN. What does he do now?

Mr. GORDON. He runs the office.

Mr. WHITTEN. What is he going to do under your change?

Mr. GORDON. The same thing.

Mr. WHITTEN. Have you made a change? Is your change a distinction without a difference?

Mr. GORDON. No, sir. The only change is this: In the past there have been instances of State and county committeemen serving in a dual capacity, both policymaking and policy carrying-out. Under this program, if they are county committeemen, they cannot be county office managers, or is they are community committeemen, they cannot be the county office manager; they will have to be one or the other. The same thing is true at the State level.

Mr. WHITTEN. But that is generally true now. You have only a few exceptions.

Mr. GORDON. Yes, sir; that is practically true now. We have only had 1,144 exceptions in the case of county committees heretofore and only 11 States in the case of the State committeemen. There is no radical change in the thing.

PAYMENTS AND LOANS APPROVED BY COUNTY COMMITTEES

Mr. WHITTEN. I would like the record to show how much money goes through the hands of the average county in the soil programs, price support, and the other activities. What I want to bring out is this: In the average county there is an annual overhead of about $1,200 for the county committee and $155 for the community committee. I would like for the record to show what size program these people handle for that amount of overhead.

Mr. BEACH. The actual average total cost per county committee, all costs, for the fiscal year 1952 was $11,166. That included the community committeemen and county committeemen and all of the office help and all of the other expenses. Other than salary costs the average cost for expenses was $1,832. Your figure of $1,200 for overhead was not far off. The volume of business for the ACP program itself amounted to $250 million.

Mr. WHITTEN. I would like to have that broken down as to the average county.

Mr. BEACH. Yes, sir. We will insert a table in the record that will show what those averages are. They run into very sizable figures.

(The material requested is as follows:)

Payments and loans approved by county committees, fiscal year 1952

Agricultural conservation program:	
1951 program	$190, 551, 561
1952 program	49, 549, 109
Total agricultural conservation	240, 100, 670
1952 farm land restoration program in flood-stricken areas (Public Law 202, 82d Cong.): Aids to farmers in restoring farm land	14, 700, 000
Sugar program payments: 1951 program	[1] 32, 387, 785
Price support loans: 1951 crops	580, 376, 346
Total payments and loans	867, 564, 801
Average amount of payments and loans approved by each county committee	286, 136

[1] Conditional payments on cane and beets in the continental United States only.

Mr. WHITTEN. About all you are proposing under the new arrangement is to keep a man from being a member of the committee and also the administrative officer. He must be one or the other.

Mr. GORDON. That is right.

Mr. WHITTEN. And that would seem to be a sound change to me.

Mr. GORDON. Yes, sir.

PROCEDURES UNDER ACP PROGRAM

Mr. WHITTEN. Now, as to the ACP program, I understand you folks are still going to run it at the county and State level?

Mr. GORDON. That is the program at the present time.

Mr. WHITTEN. And Mr. Coke is going to tell you how much program you will have?

Mr. GORDON. That is right. In other words, he tells us what the program is going to be and we handle the administration of it right on down through just as before.

Mr. WHITTEN. Under the ACP program, heretofore, the community committeemen, the county committees and the State committees, working from the ground up, have made recommendations on practices that are needed in that area.

Mr. GORDON. That has been the program.

Mr. WHITTEN. And the State committee then made recommendations to Washington as to what is needed in that State?

Mr. GORDON. Yes, sir.

Mr. WHITTEN. These recommendations were made after coming up from the grassroots, so to speak. And these recommendations have been reviewed here in Washington and issued as a catalog of approved practices.

How many practices are there in that book?

Mr. BEACH. There are over 100.

Mr. WHITTEN. Has there been any time when there was not a great number of permanent or semipermanent practices listed in the catalog for selection by the local people?

Mr. BEACH. No, sir.

Mr. WHITTEN. There has always been many of them included.

Mr. GORDON. Yes, sir.

Mr. WHITTEN. After that catalog, which is built from the grass roots up is issued, can the county and community select the practices they want?

Mr. GORDON. Yes, sir.

Mr. WHITTEN. Is there any other way to wish any practices on the people other than on their own selection?

Mr. GORDON. No, sir.

Mr. WHITTEN. Does any individual get payment or contribution from the Government under the ACP program unless he or someone for him signed up for it and did his part toward being entitled to it?

Mr. GORDON. Assistance under the agricultural conservation program is limited to those farms with respect to which a request for such assistance is filed with the county Production and Marketing Administration committee by a person who, as landlord, tenant, or sharecropper, participates in the operation of the farm. A request for assistance filed by one of such persons makes all such persons eligible to share in the program assistance for the approved conservation practices carried out on the farm in which they share in the cost of performance. In addition to the filing of a request for program assistance, each person who is entitled to a cash payment for performance of approved conservation practices must sign an application for such payment.

Mr. WHITTEN. How are you going to get it any closer to the grass roots than that?

Under this proposed reorganization, do you plan to change that? Or do you plan to handle it just as you have been, where the community committeemen make recommendations to the county committee, the county committee makes recommendations to the State committee and the State office recommends to the PMA in Washington; and where a list of practices is issued for selection back at the county and community level.

Mr. GORDON. I would assume that the same procedure would be followed. Whether there would be any change other than in the emphasis as between permanent practices and those which are repetitive in nature, I could not say.

Mr. WHITTEN. I would not argue with you about that. This committee has pushed as hard as any group ever did to try to get more and more attention to permanent and semipermanent practices.

Mr. GORDON. That is the only change which I can see is possible.

Mr. WHITTEN. We have constantly urged and pressed in that direction. I think all of the members of the committee will join in that. But, procedurally, do you expect to follow the same course as you have in the past?

Mr. GORDON. Yes, sir. It is the same, and we are working very closely with Mr. Williams, who heads up that program, and with Mr. Coke.

Mr. BRASWELL. I think you would be interested to know that Mr. Williams is starting a series of meetings next week with PMA State people to get this process in motion on the development of programs

Mr. WHITTEN. There is always talk of stopping dictation from Washington. It sounds good to the American people. But if you stop the community committees and the county committees and the State committees from recommending what they think should be in the catalog, and if you stop them from selecting what is in the catalog—and the catalog has been full of permanent programs in the past—and you tell them what they can have, what do you think their attitude is going to be as to whether or not that is dictation from Washington?

Mr. GORDON. Well, so far as I can see, the procedure is going to be essentially the same. Now, whether there will be an inclination to pitch in and encourage more of the permanent practices, which you say this committee has always encouraged, I do not know.

Mr. WHITTEN. We have, and we stand right here now. I do not speak for the others, but it is a matter of record.

Mr. ANDERSEN. I think that is a matter of record, Mr. Whitten.

Mr. GORDON. I do not see that there can be any other material change in it and it is our understanding that this will be the type of program which is carried out.

Mr. ANDERSEN. You are not attempting to dictate from Washington as to what they do have in those programs; are you, Mr. Gordon?

Mr. GORDON. No, sir.

Mr. ANDERSEN. This man who goes back to the State and attends these meetings, concerning which Mr. Braswell just commented, will be more in the line of helping where he can, rather than saying what should be done?

Mr. GORDON. That is right.

Mr. ANDERSEN. It is more to act as a moderator in getting them together?

Mr. GORDON. That is right.

Mr. ANDERSEN. And to help them in making their recommendations.

Mr. GORDON. Yes, sir.

Mr. LAIRD. If the research work of the Department of Agriculture shows that a conservation practice does not produce the benefits to warrant incentive payments, is there any inclination to discourage this type of practice?

Mr. GORDON. Yes; I think it is largely a matter of guidance and education and that sort of thing, and a great deal of help can be given through the State and local committees along those lines, and I am sure that that is intended under the present setup.

NO CHANGES RECOMMENDED IN OPERATIONS OF OTHER PROGRAMS

Mr. WHITTEN. Now, as to the other parts of your program such as price supports and things of that sort, what will be your course so far as the actual operations from Washington are concerned? Are you going to attempt to set that up here, or are you going to leave that as you have indicated, in the hands of the local community?

Mr. GORDON. We have planned no changes whatsoever in the handling of those programs.

ADMINISTRATIVE COSTS OF COMMODITY CREDIT CORPORATION FOR PRICE SUPPORT ACTIVITIES

Mr. WHITTEN. The Commodity Credit Corporation has had very few employees, and the price-support activities have been carried out by PMA personnel. Is that to continue under your reorganization?

Mr. GORDON. Yes, sir; so far as our plans are concerned at the moment.

Mr. WHITTEN. I notice in your recommendations you ask that we strike out the reserve provision under CCC, and you state that it is hard to estimate in advance what it will take for the Commodity Credit Corporation operations. The volume of commodities handled in the price-support program will largely determine the number of people that it takes to handle them.

Mr. GORDON. That is right.

Mr. WHITTEN. While I was chairman of this committee, we evolved the practice of granting to the CCC a certain amount of money to meet administrative costs in line with the outlook, and putting another amount in reserve. That way we did not make too much money available, and if it took more, it could be released by the Bureau of the Budget. You recognize in your statement that it is hard to estimate, but then you also recommend that we should stop the reserve approach.

Mr. GORDON. I wonder if Mr. Beach might not answer that question for you.

Mr. BEACH. Mr. Whitten, we did not have the reserve in the language in fiscal year 1953. As you recall, it was removed on the floor, but we operated this year as though we had that language in the actual administrative expense authorization. In other words, at the beginning of the fiscal year, we set aside $1,500,000 of our limitation, based on the then current program volume estimate, which, of

course, is always much better the closer you get to the actual year of operations. At that time it looked like we would not need $1,500,000 and we put it in reserve with the Bureau of the Budget and then later during the year, as this wheat and corn loan volume has grown up and the other program operations have increased, we found it necessary to go to the Bureau of the Budget and pull down the reserve and we have now pulled down all except $274,000. As of now, our estimates indicate we can get along without that, but we do not know what the case will be with the takeover as of April 30 and it may be necessary to pull more down.

Mr. WHITTEN. I am talking about the best way to handle this problem.

Mr. BEACH. We recognize the difficulty of estimating too far in advance the requirements for 1954, but since our estimates are now above the actual total limitation requested, we felt we could not justifiably recommend holding a portion of it in reserve. We are perfectly willing and intend to operate as though we had the reserve provision, or, if it is desirable, you could leave the reserve provision in the language with no reserve.

REVISED ESTIMATES FOR SALARIES AND EXPENSES

Mr. WHITTEN. You have found that the budget figure you now recommend for next year is a firm figure.

Mr. BEACH. We now find that the estimate of $17,100,000 which is included in this revised estimate is $700,000 less than our current estimate of what our program will cost next year. We recognize that this current estimate may change between now and the beginning of the fiscal year 1954. If it does, and the $17.1 million should prove to be too much, we would put the appropriate amount in the reserve.

Mr. WHITTEN. I would like for a table showing the revised 1954 budget and the original budget, and a statement explaining the change, to be put in the record at this point.

Mr. ANDERSEN. Will you do that, Mr. Gordon?

Mr. GORDON. Yes, sir.

(The information requested follows:)

COMPARISON OF ORIGINAL BUDGET ESTIMATES WITH REVISED BUDGET ESTIMATES, FISCAL YEAR 1954, FOR SALARIES AND EXPENSES

Project statement

Project	1953	Original budget estimates	Revised budget estimates	Change
1. Price support program	$15,163,500	$14,948,500	$16,048,500	+$1,100,000
2. Storage facilities program	1,050,000	1,050,000	1,050,000	
3. Commodity export program	1,500	1,500	1,500	
4. Subsidy program (in liquidation)	3,000			
Subtotal	16,218,000	16,000,000	17,100,000	+1,100,000
Contingency reserve or unobligated balance	274,110	1,850,000		−1,850,000
Total available or estimate	16,492,110	17,850,000	17,100,000	−750,000

INCREASE AND DECREASE

(1) *An increase of $1,100,000 for the price support program*

As a result of the review of the administrative expense requirements of PMA made pursuant to the request of the Bureau of the Budget, dated February 3, 1953, it was determined that the estimated administrative expense limitation for Commodity Credit Corporation for fiscal year 1954 would be $15,250,000, with $1,850,000 to be held in reserve, or a total of $17,100,000. This amount included $14,198,500 for price support operations and was predicated upon the program volume of commodity operations contained in the original 1954 budget estimates. Although there were some increases in the estimated program volume of certain commodities, particularly corn, cottonseed products and diary products which were known at the time of the review, it was felt that the reserve of $1,850,000 would be sufficient to cover these increases in program volume.

Since this review, however, there have been further increases in the estimated program volume, particularly in regard to the cotton loan program. Current estimates indicated that 4,500,000 bales of cotton will be placed under loan as compared to the original estimate of 2,500,000 bales. In addition, and in accordance with the recommendation of the Cotton Loan Advisory Committee, the fiscal year 1954 cotton loan operations will revert to a centralized basis and costs that are presently charged to Commodity Credit Corporation capital funds will be charged to Commodity Credit Corporation administrative funds.

The attached table reflects all of the changes in estimated program volume for the fiscal year 1954 which have occurred since the original budget estimates were prepared.

The estimated increase in program volume will affect only the workload of the PMA commodity offices. The effect of this increased volume was determined by employing the same method of workload measurement as that used in the original budget estimates. The program volume was converted to documents to be processed and then converted to man-year requirements by the application of production rates based on past experience. This review indicated that an additional $2,550,000 would be needed for the PMA commodity offices. However, the consolidation of 8 PMA commodity offices into 7 offices and operating economies instituted throughout PMA resulted in savings of $750,000 for the price-support program. Also, in view of the fact that current program volume estimates may not materialize because they are concerned with crops not yet harvested or still unplanted, it was determined that the estimates should be decreased by an additional $700,000, resulting in a net increase for the price-support program of $1,100,000.

(2) *A decrease of $1,850,000 in the contingency reserve*

Although current estimates of program volume may not fully materialize, there are strong indications that the volume will exceed the original estimates. Since administrative funds required to meet this estimated volume of program operations are $700,000 in excess of the amount provided in this budget, no reserve is being proposed.

Toward the end of the fiscal year, when the production of winter wheat and planted acreages of cotton and corn become better known, the Corporation will be in a position to estimate its financial requirements more accurately. If current estimates of program volume materialize fully, it will be necessary to request the Bureau of the Budget to apportion the limitation under the authority contained in section 1211 of the act of September 6, 1950, in such a manner as to provide needed funds for the early quarters of the fiscal year, even though such a rate could not be continued for the full year with a limitation of $17,100,000.

METHOD OF CONTROLLING CCC ADMINISTRATIVE FUNDS

PMA commodity offices

The PMA commodity offices require the major portion of the CCC administrative funds. These administrative funds are tightly controlled through a system of work measurement reports.

In allocating funds to the commodity offices we require them to estimate by commodity the quantity of their volume, i. e., loans, purchases, sales, etc., and to convert this program volume into documents to be processed (notes, freight bills, etc.) and resulting man-year and fund requirements based on production standards. The document count and man-year and fund requirements are distributed on a monthly basis in accordance with seasonal trends in the volume of work to be processed. Thus, the offices can plan their employment to meet the workload peaks and to release employees when the peaks are passed.

From the work measurement reports received monthly from each of the offices, we compare their actual workload received, the actual employment, production, and effectiveness, with the estimates of workload upon which their initial allocation of funds was predicated. Based upon this comparison, the funds of the offices are adjusted downward if the estimated workload does not materialize, or increased if actual plus future workload will exceed previous estimates, or at least earmarked for later review and subsequent adjustment.

Washington branches and offices

Each quarter a fund review is conducted with the heads of each of these branches and offices during which workload, employment and program data are considered in relation to the funds allotted to these organizations. On the basis of these quarterly reviews, adjustments are made to their funds allocations in line with past accomplishments and future workload.

CLOSING OF SAN FRANCISCO OFFICE

Mr. HUNTER. Mr. Gordon, will you explain the reasons for closing the San Francisco office of PMA?

Mr. GORDON. Yes. That was purely economical. At the time the San Francisco office was set up, it was a very large office and had a large program in effect. Now, that program has dwindled to the point where, in relation to the total, it just cannot be justified financially and economically. I think Mr. Beach, or Mr. Braswell, will have the actual drop in volume and the cost of the office and the economies which can be effected, and we would be very glad to give it to you right now, if you would like it.

Mr. HUNTER. If that information could be placed in the record, it would be helpful.

Mr. GORDON. Yes, sir.

Mr. HUNTER. I would like a statement showing the net savings in salaries and the net savings in housekeeping costs that would be involved.

Mr. GORDON. We can very easily give that to you, and we have a very brief statement, about 1½ pages long, which can be inserted in the record, if you would like it.

Mr. ANDERSEN. We will have that inserted at this point.

(The information requested is as follows:)

Estimated annual savings due to abolition of the San Francisco Production and Marketing Administration Commodity Office (assuming program volume similar to that estimated for fiscal year 1953)

Personal services: 49.8 man-years		$246,345
Other objects of expenditure:		
Rent for office space	$12,681	
Rent for IBM equipment	16,050	
Travel, communications, etc	14,580	
		43,311
Total saving		289,656

Mr. GORDON. For instance, the volume there dropped from 41 percent in the supply operations at the San Francisco office of the total in 1948 to about 2 percent, which is a tremendous drop. The CCC activity represented about 16 percent of the total in 1948 and 70 percent in 1953, but that activity represents only about 3 percent of the total of the country. It is factors of that kind which brought about its closing. You remember in my statement I told you we were shifting cotton back to the New Orleans office for administration and

that will further reduce the volume. The other commodities are very easily handled in the Portland office, which originally handled them, and the savings to be accomplished have made it almost necessary, from an economic standpoint, to cut out that office. There will be a saving of about $290,000.

Mr. HUNTER. A number of people have expressed objections to the closing. However, I have contacted various people in the field of agriculture and asked their opinion. They feel as I do, that if we really believe in Government economy, then, we have got to take our share of it. It would be more convenient for California farmers to have the office open in San Francisco, and I am hoping that you will be able to show definite savings as a result of its closing.

Mr. GORDON. Well, I am sure we can; and I am glad you feel that we had no choice but to look at it from that angle.

POLICY OF REALLOCATING UNUSED ACP FUNDS WITHIN STATES

Mr. HUNTER. Now, getting back to this matter of ACP payments, one of the complaints which has been voiced very often by the county committee of Fresno County is that when the county committee saved part of the money allocated for such payments—particularly for the annual practices program—that saving goes back to the State committee and then is reallocated within the State to other counties. It is claimed there is no incentive on the part of the county committee to make those savings because they do not result in any savings to the Government. The recommendation of the chairman has been that when they do not spend all the money allocated to them for such payments, the balance goes back to the Federal Treasury, rather than being merely reallocated within the State.

Is consideration being given to such a change? I, personally, think it is a good idea.

Mr. GORDON. Well, I could not answer that, Mr. Hunter. That is a policy matter which is, of course, established in ACP, and I do not know what their policy is going to be on it. I have not discussed it with them. I would rather think they might be inclined to recommend a policy.

Mr. ROBERTS. I think that question might appropriately be raised tomorrow when the Assistant Secretary is here on that program.

Mr. ANDERSEN. Any questions, Mr. Laird?

Mr. LAIRD. I do want to state you have done a good job in getting up your report, and it has answered a lot of questions which I would have had, had it not been prepared in this manner.

Mr. ANDERSEN. I do think the statement was very good. That is not saying that I agree with it 100 percent.

Mr. CANNON. You are now discussing broad and general matters?

Mr. ANDERSEN. Yes, sir.

Mr. CANNON. The reporter may take down what I say; of course, my questions are to some extent superfluous, because I think the chairman in his original inquiry has touched on the points in which I am interested.

I would like to say that I find myself in complete accord with the analysis of the chairman of the committee and I am inclined to think that he has expressed the attitude, opinions, and interests of the

farmers of the country perhaps better than they have been expressed in any inquiry by this subcommittee.

I might say, incidentally, that I do not think there is any man in the Congress or the Department itself who has a more intimate and comprehensive knowledge of the questions arising in the discussion of this bill than the chairman of the committee.

Mr. ANDERSEN. That is kind of you, Mr. Cannon.

Mr. CANNON. He has become familiar with them through personal experience, and I believe I would rather take his judgment on both the practical and the technical features of the questions before us than any man I know.

I was interested to note that the new Administrator, Mr. Gordon, and I have much in common. My people, like his people, came from Guilford County, N. C.

Mr. GORDON. Yes, sir, that is true.

Mr. CANNON. We are both natives of North Carolina, and our loyalties still go back to the old State. It is a great State and it is again a perhaps unfortunate coincidence that both of us have left North Carolina. I do not know what the cricumstances were under which my great grandfather left the State, but he managed to get across the State line ahead of the sheriff and settled in Missouri. Mr. Gordon seems to have settled a little closer at hand; and comes up from Virginia.

We have both been reared on a farm and I am glad to know that he like myself has been a dirt farmer. I am still a dirt farmer; I live on the farm and I do not know whether the gentleman still owns his farm or not.

There is another similiarity: We have both gone into politics, and farming and agricultural interests have become a sort of sideline. But I trust we both still have the same interest in behalf of agriculture. I will ask Mr. Gordon whether I might say we both desire to see the farmers of the United States receive as large a part of the national income in the next 10 years as they have in the last 10 years?

Is that the attitude of the gentleman?

Mr. GORDON. That certainly is what it is.

Mr. CANNON. I was certain it was. But apparently we have diverged at one point. I am still on the farm—I am still a dirt farmer. I have a small herd of cattle, and the price of beef was quoted yesterday at about $23.50 per hundred for stuff which recently brought $35. I have steers on which I have lost $100 per head in their market value in the last few months. I trust the gentleman is not that unfortunate. You have no stock, have you?

Mr. GORDON. I do not have at the moment. However, I have close relatives who do, and we have experienced just exactly that same thing; I am still very close to the farm.

PROBLEM OF MAINTAINING STABLE PRICES FOR THE FARMER

Mr. CANNON. If the gentleman will permit me to digress and this is a matter not immediately under your jurisdiction, but you—as one of the highest officials and among the most responsible officials in the Department of Agriculture today, and apparently from the record which we read here—are one of the best qualified to handle what is, perhaps, the most important domestic problem confronting the ad-

ministration today. I also grow wheat and have for the last 35 or 50 years had a few acres of wheat each year. I have been very well satisfied with the price which I have received for wheat during the last 10 or 15 years. However, I note—and I just received a report yesterday—that we have the best prospects for wheat we have had for some time. We are going to have a good wheat crop, but statements by the Department seem to indicate that we will get less for wheat this year than formerly.

The question I want to ask—and while this is not under your immediate jurisdiction, you as one of the important officials of the Department of Agriculture are undoubtedly thoroughly familiar with the circumstances—why is it with wheat selling for less this year, the price of bread is going up? The price of wheat to the farmer is going down and the price of bread to the consumer is going up? How does the gentleman account for that peculiar situation?

Mr. ANDERSEN. If you will permit, Mr. Cannon, just yesterday an announcement was made that bread was going up 1 cent a loaf here in the area. I wondered at the time what the basis could be for such action.

Mr. CANNON. Under the situation indicated by the chairman it is to be taken for granted that with the price of wheat going down, naturally, the price of bread would likewise decline.

How does the Administrator account for that situation?

Mr. GORDON. I think that is one of the things that has been happening over the years that we have never been able to account for adequately.

I suppose under the control program they were limited to a certain figure and that there are now factors which they could include in the price of bread since controls have been removed, and they have taken full advantage of that since that time, and also consideration has to be given to the increased costs and all that sort of thing. That is the only possible explanation I can see. Whether they are justified, is another thing.

Mr. CANNON. Let us get a little closer to that problem. In view of the fact that the farmer is losing money as compared with last year's price of wheat—it is very obvious that someone else is getting more money than they received last year.

Mr. GORDON. Yes, sir.

Mr. CANNON. Who is it that is getting more money than they got last year, while the farmer is getting less?

Mr. GORDON. Well, there would be a little, I suppose, at every step in the process all up the line—every handler of the product right on up to the bread itself—the finished, packed loaf itself, I suppose would enter into that.

Mr. CANNON. But the Department should be in a position to so closely analyze the process that they could put their finger on the man who is getting it, while the farmer is getting less than he got last year. The income received by these people who are getting more than they got last year was evidently very satisfactory, because all incomes last year were the highest we have had for many years. Why must this processor receive more now and why is he not satisfied to continue with the same profit he had last year? Why must he have more money this year at the expense of the farmer, who is losing?

Mr. ANDERSEN. Mr. Cannon, Mr. Wells' testimony here was that today the average workingman is obtaining more food, of almost every kind, for each hour of labor than he has ever obtained before.

There is, as you say, Mr. Cannon, something definitely wrong somewhere along the line. It seems to me, and I have urged this for years, that the Department of Agriculture with its vast resources should be able to find the answer to that question.

Mr. CANNON. The chairman has stated a very important premise there and I trust the representatives of the Department of Agriculture will take it back down to the Department and indicate to them our interests in that problem. His position is fair. He does not ask the Department to remedy it, all he asks is that the Department analyze it and tell us where the additional charge comes in.

Now, what he says, and what Mr. Wells said is very true, and just before Mr. Wells came before this committee, I called attention in debate on the floor of the House, to the fact that while the consumer was paying more—for example, for meat than he had ever paid before, he was working less hours to buy that meat, than he had ever worked before.

Mr. ANDERSEN. That is correct.

Mr. CANNON. I am glad the chairman called attention to that very important fact.

The daily papers report that the price of food has gone up in the last week or 10 days all over the country. The general price of food has gone up at a time when the returns to the farmers are coming down, and I recalled the statement by the Department of Agriculture recently to the effect that we had now reached the bottom of the decline and that farm prices were now leveling off. They were very much mistaken about that, at least, so far as the price of cattle was concerned, because since that statement was made, we have had the most terrific and precipitous drop that we have had in the last few months.

However, the question is, as the chairman of this committee has indicated, that we think the Department of Agriculture can influence price trends—at least the Department of Agriculture in days gone by has been able to protect prices.

We had these declines. The price of agricultural commodities is never stable and never stationary; they fluctuate up and down, but always before they got to the bottom, the Department of Agriculture stepped in and the prices came back up. This time, that has not been true; at least, they are down and still dropping.

So, while we think it is in the power—and Congress wants to give the Department the power to maintain stable prices for the farmers, so long as every other industry in the country is stabilized—we would, at least, like to know if the Department cannot remedy it and we would like for them to so analyze the problem so that we can see where the remedy should be applied. I reiterate, someone is getting more than they got last year, when they were getting the biggest profit they ever received and they are getting it while prices to the farmers are dropping.

I would like to ask, at this point, what steps the Department of Agriculture proposes to take, what steps they are planning to take.

May I say this is not a political question and there are no politics involved in it.

All we are interested in is whether or not you propose to give the farmer as large a share of the national income, when he works longer and harder under more adverse conditions than any other class of workers in the United States, as you allot to other groups? What do you propose to do to continue the prosperity we have had in the last 10 years on the farm—a prosperity which has been reflected all those years in the prosperity of the Nation?

Mr. GORDON. Well, about all I can say, Mr. Cannon, is this: That the Secretary and his staff are as anxious as anyone else to see the farmer prosper and to see that he gets as nearly as he can 100 percent of parity in the market place. Of course, the programs are pretty well fixed for 2 more years. We expect to administer those programs in the spirit in which they were enacted and as completely and efficiently as we know how to. At the same time, the Secretary has already set up a committee of his top people to give consideration to what the program should be after that. Of course, you realize he has only been in office a little over 2 months, but I can assure you that he is moving already to make a careful study of all of the things that might be done to insure the maintenance of farm income and to give the most workable program that can be developed. He will rely on his top staff and he will rely on his 14-man advisory committee, and I am sure that what he has in mind is the development of the outline of a program which will be thoroughly discussed with the general farm organizations, with you folks up here, and I am sure he is not trying to develop a program of his own, but a program which starts at the grassroots and comes right on up as it should and develops into what, at least, promises to be the most satisfactory program from the standpoint of the farmer.

Now, to begin with, he has, of course, called on the advisory committees representing each phase of the industry. We have had the cotton advisory committee and we have had the wheat and corn and livestock and dairy and quite a large number of other industry committees working on the problem. Each of those committees, as I indicated a little earlier, is setting up what they call a task committee—a small working committee—which will continue to work on the commodities that they are interested in and advise the Secretary with respect to their problems and their suggested solutions. Of course, all of that will have to be coordinated, because you just cannot work commodity by commodity. You have to consider the relation of the commodities to each other and come out with a coordinated program, and that is what we are finally expecting to do through the Secretary's immediate staff and through his 14-man advisory committee and so on.

Mr. CANNON. Of course, as has been brought out so clearly by the gentleman from Mississippi, Mr. Whitten, who served as chairman of this committee for many years——

Mr. ANDERSEN. Yes, and I might say he did a remarkable job in that capacity, too, Mr. Cannon.

Mr. WHITTEN. Thank you, gentlemen.

Mr. CANNON. It is difficult to see any great changes in the setup which is proposed here over what we have had, with the possible exception, which is always to be guarded against, and that is while these farmer committees are elected and while every appearance of purest democracy may be preserved in their selection, they will, in the last analysis, have very little choice and must take the directions

handed down from above. It seems a little more dangerous this time than it has been heretofore, if possible. I am not so certain about that, because I am not as familiar with it as the gentleman from Mississippi, who has been presiding over this activity for a number of years, but may I say this: Regardless of the machinery involved and the machinery used and the methods adopted to put the system in operation, we are interested in resolving this problem and we are going to judge this whole system and the farmers are going to judge this whole proposition, not by the details of the machinery involved, but by the results you get.

Mr. GORDON. Yes, sir.

Mr. CANNON. And I believe I can say that the Department may understand that in achieving that result and in preserving farm prosperity, you will find this committee ready to cooperate in every way possible.

Mr. GORDON. Thank you. I am sure of that.

FORMULATION OF PROGRAM BY THE ADVISORY COMMITTEE

Mr. ANDERSEN. Mr. Gordon, you mentioned this 14-man advisory committee. I would like to know if it is the Secretary's intention to have them work on the new program?

Mr. GORDON. That will be one of their functions.

Mr. ANDERSEN. I am somewhat disappointed in the makeup of this 14-man advisory committee. Certainly, they are splendid men, but most of them are associated with State colleges, too many of them are with industry and too few are connected with agriculture. There are not enough of them down at the soil level, if you get what I mean, Mr. Gordon.

I sincerely hope that the Secretary in working out any new program will consult with the Members of Congress, who have studied this thing for a good many years.

Mr. GORDON. Of that, you can be very sure.

Mr. ANDERSEN. Otherwise, I serve notice here, he is not going to get very far on the floor of the House with any drastic changes. I have in mind specifically what we call "flexible price supports." I know that will not go through the House.

Mr. GORDON. I think the Secretary has made it quite clear that he is going to cooperate with this advisory committee and the Congress.

Mr. ANDERSEN. As Mr. Cannon has pointed out, this is the heart and soul of agriculture right here. And you have one of the most important positions, Mr. Gordon, because of the price support program. Anything related to that program has to do with the entire economic system of America.

Mr. WHITTEN. I would like to point out in this connection that Mr. Gordon has what has been one of the most important jobs. But if I understand the new plan correctly, Mr. Coke is going to tell him what kind of ACP program he will have and the Commodity Credit setup is going to tell him what to do about the price support program. So he will be just an administrator carrying out the policy of others.

The reason I mention it is that I, too, am disturbed about having middlemen and other merchants—those who are not too greatly affected by the basic price received by the farmer—form the farm program.

They usually receive so much per bale or per unit and make just about as much on low-priced commodities as on high. Each advisory

committee I have noted has been overweighted with businessmen farmers. Those who are engaged in the middleman's end of it are not the voice of the farmers and they are not as directly affected by what agriculture does. The chairman has certainly pointed out something that needs further attention.

Mr. ANDERSEN. Mr. Gordon, I certainly want to give you every opportunity to comment on what I have had to say. Do you feel I am correct in my assumption that the farmer is not well enough represented on that 14-man advisory group?

Mr. GORDON. That committee, as you know, was appointed as an interim committee.

Mr. ANDERSEN. That is correct, but it evidently is still functioning.

Mr. GORDON. When there were two resignations on the committee, Mr. Davis and Mr. Short, recently, the Secretary went right to the farm to get the replacements for them. Mr. McLain of Iowa was one, and the other was Mr. Chapman of Michigan.

Mr. ANDERSEN. Mr. McLain has a very good name back in Iowa.

Mr. GORDON. That, I think, is reassuring.

Mr. ANDERSEN. I think it has improved it some. However, while the 7 or 8 States within a 500-mile radius of Chicago produce 60 percent of the food of America, they do not have sufficient representation on the Committee. For the record, I do wish to say that I believe we have a good man from Wisconsin.

Mr. LAIRD. Yes; we have an outstanding representative, Mr. Milo Swanton of Dane County, who well represents Wisconsin agriculture.

Mr. GORDON. I agree with you.

Mr. LAIRD. He is actually engaged in farming operations at the present time, and also executive secretary of the Wisconsin Council on Agricultural Cooperatives.

Mr. GORDON. He is very good.

Mr. LAIRD. And he is a very outstanding agricultural leader in the Midwest and is very close to the problems of farming.

Mr. ANDERSEN. Nothing I have said, Mr. Laid, reflects in any way on the ability of these gentlemen. I have just felt that agriculture down at the farm level is not well enough represented on that 14-man advisory committee.

Mr. GORDON. It should be pointed out that Mr. Coke is quite a large farm operator; and, in addition, Mr. Milius should also be very definitely listed as a farm leader.

Now, may I say one more thing in connection with the statement about consulting with the folks up here on the Hill. We have made it a very definite practice ever since we have been responsible for the program, when we had any question relating to any of the control programs or of the operation of any of the programs, to ask for either a meeting of each Committee on Agriculture or a joint meeting of the committees to bring our problems up, not for the purpose of shifting the burden of responsibility in handling those things but more to ask for advice with regard to the handling of these matters, in trying to carry out our responsibility.

And, as we have gone into these meetings, we were also bringing in our recommendations, but at the same time we listen very carefully to all of the views on these matters and adjust the program in keeping with the thinking.

Mr. ANDERSEN. I am sure that has been done.

Mr. GORDON. I think in that respect you will find we are, if anything, perhaps, going overboard in that direction.

Now, with respect to the responsibility under the program, Mr. Whitten, it is true that I am not the President of the CCC; I am the Executive Vice President and a member of the Board, and I help to develop the policy, but I do not determine the policy. The Board determines the policy. But, as to the day-to-day operations of the Commodity Credit Corporation through the PMA, it will be just as has been done in the past. There has been no real change with respect to policy. Now, as to the ACP, there has been no change as it relates to the operation of the program.

Mr. WHITTEN. It is disturbing to me to see that those dealing with the various soil programs and also those who are dealing with the price-support program have been given a back seat behind those who determine the programs for them. It will not hurt if those setting up the program handle it right; but, in regard to the PMA program and the ACP program, they will have to be handled, and you must await Mr. Coke's orders.

Mr. GORDON. But do not forget, Mr. Whitten, that we still develop the recommendations, and bring them to the Board and make recommendations just as before the present time. So, I do not think there is quite as dark a side as you might otherwise feel.

Mr. WHITTEN. I am just expressing my concern, you understand. It can work all right if it is handled right.

Mr. GORDON. Yes.

Mr. HUNTER. Mr. Gordon, was not the purpose of transferring the ACP to Mr. Coke, to coordinate generally the work of all the various soil conservation activities which are now spread throughout the entire Department of Agriculture?

Mr. GORDON. That was the announced purpose; yes.

Mr. HUNTER. And one of the greatest criticisms was the fact that there has been not only duplication of effort, but also lack of coordination of the overall program.

Mr. GORDON. I might say one more thing: I realize that you are interested in the statement that I made today, but you are going to be more so in what I testify to next year. That is when I really will catch it, I guess.

Mr. MARSHALL. Mr. Gordon, a moment ago you mentioned that there were 11 States where organizational changes took place.

Mr. GORDON. Yes.

ORGANIZATIONAL CHANGES IN CERTAIN STATES

Mr. MARSHALL. Could you tell us first the names of those 11 States?

Mr. GORDON. We can get them for you, Congressman Marshall. They are mostly in the Middle West, Northwest States, and the North Central States.

Mr. MARSHALL. It might be just as well to put them in the record.

Mr. GORDON. Yes; we will be very glad to do that.

Mr. MARSHALL. Could you tell us at this point in the record what is the difference of administration in those 11 States that you have mentioned? In the information you gave to Mr. Whitten you stated that no change was taking place.

Mr. GORDON. The name of the States are Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

In each of those States all three State committeemen functioned full time. In most of the counties in these States, it is my impression, that the county committees functioned full time and carried out some of the clerical and routine duties of the county office.

Now, under the program which we contemplate, we simply have spread the program which has been in effect in 37 States into the 48 States, and have simply cut out the dual functions and dual capacities in which these men in these States have been functioning in the past.

In other words, they still establish the policy, and I think will have a great deal more time for the careful appraisal of what the situation is and what is required, than possibly where they were working on a routine day-to-day job. For instance, I know of one of the former State committeemen who said that he had enjoyed his work as a State committeeman very much until they made it a full-time job, but that he could not give up his business of farm operations and spend all of his time as committeeman, so he had to resign.

That just means, in a lot of instances, we will get more able men on a part-time basis than we will on a full-time basis, because a lot of these men still want to continue their farming operations, but at the same time they cannot do that if they must spend full-time on one of these committees. There are a lot of them who would like to devote a part of their time to a program of this kind.

Mr. MARSHALL. Do you not agree that this might be true? I think that a problem like this is one on which it is a bit difficult to formulate a definite opinion. There have been, unfortunately, many times when people who have worked on advisory committees in an advisory capacity, became more or less rubber stamps.

Mr. GORDON. I realize that.

Mr. MARSHALL. There is the problem of understanding what you are working with to evaluate some of the problems. If the members of the county committee do not take an active part in the administration of the county's affairs, and are willing to use it more or less as an extracurricular activity, feeling that some person in the office has been given the responsibility for carrying on the program, they may not always show the interest that is needed.

Mr. GORDON. That is the thing that we must guard against, and it is something that we will watch very closely, but I think the responses from each of the 37 other States is such that we feel we can avoid just that kind of thing happening, and that we can have an even more efficient and effective program.

Mr. MARSHALL. I presume that you have been in some of the offices in these 11 States, have you, Mr. Gordon?

Mr. GORDON. No, I have not as yet; I have not had the time. I have not been out of Washington since the 20th of January.

Mr. MARSHALL. A good share of the agricultural products of this country are produced in those 11 States.

Mr. GORDON. Yes.

Mr. MARSHALL. So you are talking in terms of an agricultural program that has its operation in the breadbasket of the country, so to speak.

Mr. GORDON. I quite realize that; yes.

Mr. MARSHALL. Of course all of us are interested in saving money, and I am sure you have had that in mind as a matter of administration as well as the other phases of the program, and in thinking in terms of economy, how does this compare with the information that was given by the McClellan committee 2 years ago? Are you familiar with that?

Mr. GORDON. No; I am not.

COSTS OF ADMINISTRATIVE PROGRAMS

Mr. MARSHALL. The McClellan committee 2 years ago, in discussing the cost of the county system, determined that the cost, of the administrative programs in these 11 States that you have mentioned, was considerably less than in the balance of the country. That interests me. I know that as far as you are concerned, you are not responsible in any way for the previous information, but have you taken that into consideration in arriving at your statement.

Mr. GORDON. I do not see how that could be true, if you take into account all of your committeemen. That comparison I believe was based on there being civil-service employees?

Mr. MARSHALL. I believe the comparison was majored upon the basis of the quality of the work that would be performed in the county offices.

I think it must be realized that both the community and the county committeemen put in a considerable amount of time in working on the program for which they are never reimbursed.

Mr. GORDON. We realize that.

Mr. MARSHALL. It would appear to me that where you have to put a person in charge of an office, you would have to have some person who was qualified for the position. If you are talking in terms of efficiency, it could not be just any Tom, Dick, or Harry who would be qualified as an office manager.

Mr. GORDON. That is true.

Mr. MARSHALL. That person would have to be qualified to carry on with the work that would be somewhat related to qualifications required in some of the other agencies of the Department.

Mr. GORDON. Let us take the State level in some of the States: You have men in the States, State committeemen, the salary of the chairman of which would be in excess of $8,000, and the other members in excess of $7,000. That would be cut down on the number of days in which they are actually employed, to, say, a maximum of 75. You would have just an administrative officer, whose salary would be at about the level of the State committeeman, not the chairman. In other words, in the $7,000 or $8,000 range.

Now, at the county level it would be necessary to employ a county office manager, whose salary would be at least the equivalent of the county committeeman, if you are going to get a competent man. There is some saving there—it is not the important thing—it is not perhaps as significant as we might like for it to be, in view of the fact that only a few of the States are really affected, but there is actually a saving in expense there.

Mr. MARSHALL. Your assumption, Mr. Gordon, would be made on the basis that the committeemen would not be fully occupied on the committee.

Mr. GORDON. I would say that it would be hard for me to conceive of three State committeemen being fully occupied.

Mr. MARSHALL. What about the county committee?

Mr. GORDON. Again I think I would find it very difficult to conceive of there being three county committeemen functioning in a single office, or how they could function without getting in each other's way. That would be difficult for me to see. In other words, you have got to have one person responsible in an office if you are going to have efficient administration.

Mr. MARSHALL. I have always felt that the caliber of the people who have been working as elected county PMA officials, were very well qualified, and I have a very high regard for those people. I felt that the salaries that these people are paid certainly should be comparable to a professional group of employees in county offices, and yet their salaries have been less than that.

Mr. GORDON. Here are the figures: The estimated savings at the State level is $124,472. That is based on full-time administrative officials at the GS–12 level.

Mr. MARSHALL. Those employees would be civil-service employees?

Mr. GORDON. They would be civil-service employees.

Mr. MARSHALL. You were not, as I understood you a moment ago, thinking in terms of making the county office manager a civil-service employee?

Mr. GORDON. No. That is true. Coming to the county: The savings would amount to $517,764, and that is based on replacing the county committeeman with an office manager at an average salary of about $3,068 per year, as compared with about $2,106 for the county committeeman, with a level of pay at $8.10 per day base.

Mr. MARSHALL. Your figures are somewhat at variance with the figures before the McClellan committee. I am sure that as far as we are concerned, you have taken all of these matters into account, and given them careful consideration, so far as you could within the limited time you have had available to you.

Mr. GORDON. We have tried.

Mr. MARSHALL. It is no small job, of course, Mr. Gordon, to come into an office of this kind and in just a few months, as head of a program as huge as that of the PMA and attempt to put into effect all the desirable things that need to be done.

Mr. GORDON. It takes a lot of midnight oil, plus a very good staff to even give it the kind of study it requires.

Now, I understand that this committee, that is, that the McClellan committee, assumed that the committee would be replaced by full-time civil-service employees. That would make a great deal of difference. If that were the assumption, then I can readily understand why the administration would be more expensive. But we do not contemplate civil-service employees at the county level.

Mr. MARSHALL. You do, however, contemplate that you will attempt to obtain the person with the highest possible qualifications.

Mr. GORDON. That is true.

Mr. MARSHALL. To perform the work.

Mr. GORDON. Yes. You realize that the salaries paid will vary a great deal, on an over-the-country level, and we are talking now about the average here which will range from $2,500 to $4,000, which we mentioned before.

Mr. MARSHALL. How many members of your staff which you have here today have had county or community committee experience?

Mr. GORDON. Well, I think you realize that Mr. Braswell and I have had experience in programs somewhat similar for many years.

Mr. MARSHALL. I may have the unique experience of being the only person in the room who has served with a county or community committee.

Mr. GORDON. That is possible.

Mr. MARSHALL. Having lived in the State of Minnesota and having served on a community-county committee, and also on a State committee, I know of the interest the chairman of this committee has taken in the agricultural work, and I know the many friends that he has in the PMA organization. The State of Minnesota holds him in the highest possible regard as a Congressman from Minnesota. I do feel that the people in the Department of Agriculture ought to consult with the chairman of this committee, because of the high regard in which the people of Minnesota hold him.

Mr. WHITTEN. I would not want to let this pass without saying that the service of the chairman of this committee has always been above politics. He is doing a fine job.

Mr. ANDERSEN. Thank you, gentlemen.

Mr. GORDON. That has been my impression.

EXTENSION OF PRICE-SUPPORT PROGRAM

Mr. ANDERSEN. The only thing I care to say in response to the splendid tribute of these gentlemen is that I hope that we will continue to consider the problems of agriculture without regard to politics.

Some 3 or 4 years ago I urged that we reenact legislation on the price-support program, in a nonelection year.

I am doing that again in reference to the proposed extension which will be necessary on December 31, 1954. I think that the extension should be reenacted this year. We ought to get it out of the election-year atmosphere. And I am very much disappointed to find out that there seems to be little if any sentiment to do anything on it until next year.

Mr. ANDERSEN. Mr. Hunter?

CHANGES IN ORGANIZATION OF STATE COMMITTEES

Mr. HUNTER. I believe that the changes you are making in the organization of the State PMA committees are good. You are invoking a practice that is successfully followed by business concerns, and also by agricultural cooperatives. You are advocating a general manager and a board of directors.

Mr. GORDON. That is right.

Mr. HUNTER. The board of directors serves on a part-time basis. By so doing, a committee can have the benefit of the talents of a number of individuals who have a very broad field of interest and experience. It would not be possible to secure their services if you required full-time participation.

Mr. GORDON. That is right.

Mr. HUNTER. You will get better representation on those committees, and consequently better results.

I received a letter the other day bearing on this program, from a member of the PMA county committee in Fresno. In his letter he states:

> I am utterly amazed at the impression given in Mr. Benson's expressions about the PMA committees. Between the lines it appears there are some State and county committees in this Nation that have been making and are making a full-time job as committeeman. The suggestion that he has made in his statement for improvement and for expense savings are an old story in Fresno County, and I believe in the State as a whole. The Fresno County committee meets only once every 2 weeks, unless there is something hot, whereby special meetings are called. Also, once in a while the chairman or other members of the committee are called into the office occasionally to sign legal papers, such as cotton loan drafts.
>
> Now, if Fresno County, with a total of 17,957 worksheet farms, and a total of 1,766,356 acres of total farmland can be and has been handled by the county committee on a biweekly basis, considering that about all types of commercial crops grown in the United States are grown in Fresno County, there certainly should be no reason for thinking that all counties in the United States could not be operated under the same method.
>
> Maybe you will want to show this note to the Secretary of Agriculture, Ezra Benson, so that he will realize there have been some counties which have always operated in, under, and by American principles.

Mr. ANDERSEN. I think that is a good statement, Mr. Hunter.

Mr. HUNTER. I might add this is not a small county, because in terms of cash value this county has produced more in total value than any other county in the United States. In other words, I am not speaking of some small, insignificant county.

NUMBER OF COUNTY COMMITTEEMEN EMPLOYED ON ANNUAL BASIS

Mr. ANDERSEN. I think there is a general public impression that many of the county committeemen are employed annually—that they are on a yearly basis—which is not the fact, as Mr. Gordon's figures indicate.

Mr. GORDON. We have only had 1,144 who were working full time out of 9,096.

Mr. ANDERSEN. Approximately 12 percent.

Mr. GORDON. Yes.

EMERGENCY HAY PROGRAM

Mr. ANDERSEN. What is the present situation with reference to the emergency hay program? I would like to know how much money has been spent on the program thus far, and the money which is proposed to be spent in the future.

There has been, as you probably know, considerable criticism of this program, on three points. The first is that the program bypassed the regular hay-buying industries. The second is that the quality of the forage bought was very poor. Third, the loss to the Government of $15 per ton was excessive.

Will you comment on this matter?

Mr. GORDON. I happen to have had some connection with the program when it was first developed, that is, when the drought first became serious. I know that the $15 subsidy on the part of the Government was arrived at on the basis that there was a limit to the amount of money that could be spent on hay for foundation livestock—and this program was limited to the livestock which was deemed essential to the need for foundation herds. In other words,

it was never contemplated that all livestock would be fed with this emergency hay.

The purpose of the program was to prevent the excessive liquidation of livestock, particularly the breeding herds of livestock.

A very careful survey was made to determine what top limit was to be paid for hay in that overall situation and the cost of the hay over and above that was taken care of through the subsidy program, and the money came, of course, from the President's emergency fund.

Mr. ANDERSEN. Did the railroads cooperate with you?

Mr. GORDON. The railroads did not cooperate.

Mr. ANDERSEN. In the way of freight rates.

Mr. GORDON. They were asked to repeat the cooperation that has been given in the past, but they refused.

Mr. ANDERSEN. They did not grant any lower rates?

Mr. GORDON. No lower rates at all.

Mr. ANDERSEN. That was my understanding.

Mr. GORDON. Now, as to the question of the quality of the hay, I think that is one very largely of availability; that is, quality hay was not available in sufficient quantities, close enough to the drought area to prevent even greater subsidies. In other words, we would have had to have paid 2 or 3 times as much in support of the program if we had limited it to top quality hay.

Mr. TABER. How much of the hay was of such poor quality that it was not usable?

Mr. GORDON. Was there any hay rejected, in any appreciable amounts, Mr. Manwaring?

Mr. MANWARING. No. Very little of that was not usable. There was some that was sold at a lower price than the set price, the price set originally for the hay.

Mr. GORDON. On an adjustment basis?

Mr. MANWARING. Yes, and in most cases, for sale for use in feeding sheep instead of use for cattle. But the percentage of that was small, the amount that was sold at a reduced price was very low in comparison to the total volume.

Mr. ANDERSEN. How much did you spend on the entire program?

Mr. BEACH. The limit on net cost was $9.5 million. The net expenditures will not run that high.

Mr. TABER. I saw articles in newspapers indicating that there were a great many carloads that were in bad condition, sufficiently so that it was not usable.

Mr. GORDON. Mr. Taber, I have had quite a bit of experience in the hay program. The organization with which I was connected before I came here has had a tremendous hay program, and no matter where you go for hay or what kind you use you are always going to get conditions that will result in a great deal of complaints, with respect to the quality and of the type of hay. That is inevitable in a hay program, whether it is a commercial program, or whether it is an emergency program.

A good bit of the territory in which I was at that time was involved in this area, and I would certainly say that there was no more than the usual complaints with respect to the hay during the period of the emergency than customarily is found. So I think it must have been administered reasonably well.

Mr. TABER. I do not see why there would have been this enormous number of newspaper articles on the subject if there was not something to it.

Mr. ANDERSEN. Mr. Gordon, I wish you would furnish the chairman of the full committee, Mr. Taber, a complete breakdown as to the operation of the program, going into detail particularly on the matter of poor quality hay.

Mr. GORDON. Yes.

OFFICE OF ADMINISTRATIVE SERVICES

Mr. ANDERSEN. I would like placed in the record a description of the work of your Office of Administrative Services, and especially as it relates to the duties of the 112 people in that unit.

Mr. GORDON. Yes; we will furnish that.

(The information requested is as follows:)

OFFICE OF ADMINISTRATIVE SERVICES, PMA

The original estimates provided for 264 employees of which 112 were for Washington and 152 for field. Based on the recent budgetary review and the consolidation and abolition of offices, it is now estimated that employment for this office will be down to 198 by July 1, 1953, or a decrease of 66 under the previous estimate.

Overall functions.—Formulates and executes policies and procedures governing PMA's administrative services and facilities; directs, coordinates, and conducts space planning, communication services, forms and procedures development and control, procurement of supplies, equipment, and printing and binding services, defense activities relating to designated safe areas, protection of property and equipment, and security clearance.

Office of the Chief.—Provides all PMA and CCC facilities with essential administrative services.

Procedures and Communications Division.—Directs and coordinates (*a*) the development, installation, and maintenance of PMA procedure systems—approximately 800 PMA procedure manual issuances are made annually covering 4,800 pages of procedure; (*b*) the development and application of standards and controls in the preparation and clearance of material for publication in the Federal Register and Code of Federal Regulations—approximately 3,800 entries of Federal Register and Code of Federal Regulations are proofed annually and approximately 1,500 dockets and delegations and terminations of authority are processed annually; (*c*) the operation of a nationwide leased wire service of approximately 12,000 miles for the receipt and dissemination of market news, program and other wire messages—there is an average of 105 leased wire points serviced and approximately 200,000 messages are handled annually; (*d*) the receipt, distribution, collection, and dispatch of mail and the operation of a messenger service within PMA in Washington—approximately 8,100,000 pieces of mail, packages and telegrams are handled annually and annual value of remittances received approximate $57,000,000, all of which has to be microfilmed, and approximately 12,000 Secretary and Administrator jacketed letters are handled annually.

Procurement and Property Management Division.—Directs and coordinates (*a*) the procurement of equipment, supplies, publications, and services, and sales of surplus and unserviceable property—approximately 6,000 shop orders, purchase orders and requisitions are handled annually; (*b*) the formulation and application of policies, procedures and standards for the management and disposal of PMA and CCC administrative property, including automotive equipment—140,611 property records maintained; (*c*) surveys of space and utilities, the movement of equipment, the installation of, and provision for, building utilities, and maintenance services—800 moves handled per year, and approximately 6,100 building maintenance reports and telephone change reports are prepared annually; (*d*) the procurement of reproduction services including printing and binding, the purchase of publications, and the maintenance and distribution of stocks of program and administrative forms, procedural, informational, and related material—140,000 printing, photostating, multilith, mimeograph orders are processed annually.

Records and Forms Management Division.—Directs and coordinates forms and records management activities with the administrative and program requirements

of PMA and CCC, involving the planning and conduct of (*a*) surveys and analyses of forms, the development, creation or modification of forms and graphic presentations, the maintenance of controls for the clearance and preparation of forms; and the design of graphic presentations including charts, workflow and other management materials—approximately 8,500 forms under control and approximately 1,800 forms and charts prepared each year; (*b*) surveys, analyses, development, installation, disposition and control of records and record management systems—approximately 20,000 cubic feet of inactive records maintained and approximately 24,000 cubic feet of records disposed of during the past year and 40,000 cubic feet remain to be disposed of, approximately 4,000 forms are analyzed for retention annually and 5 disposition handbooks prepared covering 6,507 items.

Area Offices of Administrative Services.—(*a*) Apply policies, procedures and standards for the management of PMA and CCC property; (*b*) examines requisitions to ascertain if they meet legal and policy requirements, determines and designates sources of supply, prepares and issues purchase orders, and carries out sales of excess property; (*c*) prepares specifications and invitations to bid for the leasing of space and the procurement of equipment, supplies, and services not available from contract sources; (*d*) surveys, analyzes and arranges for telephones and other utilities and services; (*e*) reviews reports of motor vehicle accidents and prepares recommendations relating to settlement of claims; (*f*) recieves, distributes, collects and dispatches mail and assists field offices in installation, and operation of mail communications systems; (*g*) directs and coordinates the receipt, maintenance, and distribution of stocks of forms, informational and related material; maintains mimeograph and ditto duplicating facilities for field offices; (*h*) coordinates leased wire activities with the administrative and program requirements of PMA and CCC within the area; operates teleprinters and teletype machines; prepares and distributes incoming messages; and (*i*) developes and collaborates with field offices in the revision of existing records control systems and in the planning and management of improved records management systems.

Prior to July 1, 1953, 5 area offices serviced 605 offices covering approximately 8,264 employees. As of July 1, 1953, the number of area offices will be reduced to 2 (1 at Denver and 1 at Chicago; the Washington office will handle the work presently done by the Atlanta and New York offices). Estimated employment fiscal year 1954, revised, reflects this anticipated reduction from 5 to 2 field offices.

Employees Engaged in Property Management Work

1. There are a total of 74 man-years of employment in PMA to be devoted to property management work during the fiscal year 1953. No change is anticipated in the 1954 budget estimate. Salary cost for these employees will be $316,058. This compared with 72.6 man-years at an annual salary cost of $302,588 for the fiscal year 1952.

(*a*) One-third of the man-years devoted to this work (24.4 man-years) during the current fiscal year are in Washington; two-thirds in the field (49.6 man-years).

(*b*) Washington personnel services 24 branches and offices in Washington having as of February 28, 1953, a full-time personnel of 2,263 employees and 11 part-time employees. In addition, Washington personnel handles specialized phases of property management work for field offices such as securing departmental approval for procurement of certain specialized office equipment, procurement of automotive and specialized laboratory and technical equipment, supervises property management work in the field and develops procedures for use by all offices of PMA in this field.

(*c*) Field personnel services approximately 476 field offices of varying sizes, including temporary and seasonal offices, having a total personnel of 8,113 full-time and 356 part-time employees as of February 28, 1953. In addition, they coordinate the property management activity carried out by the field offices.

2. Breakdown of employment by categories of property management work follows:

	Man-years, 1953			Salaries, 1953		
	Washington	Field	Total	Total	Average salary per man-year	Equivalent GS grade
Procurement	9.6	19.6	29.2	$123,927	$4,241	6.6
Utilization and disposal	6.1	12.4	18.5	83,286	4,502	6.9
Real property management	2.0	4.0	6.0	27,145	4,524	7.0
All other property management	6.7	13.6	20.3	81,700	4,025	6.3
Total	24.4	49.6	74.0	316,058	4,271	6.5

3. Estimated value of procurement by PMA for fiscal year 1953 is $4,500,000. The estimated cost of procurement is 2.75 cents per dollar value of procurement. It includes equipment, supplies, publications, printing, duplicating, and services.

(a) Fullest possible use is made of the facilities provided by GSA but due to varied program activities of PMA, the bulk of procurement is by means of individual purchases requiring considerable time in development of specifications and invitations, requesting bids, sale of excess or unserviceable property, receiving, opening, abstracting and analyzing bids and awarding contracts.

(b) Further time-consuming element in this work arises from the fact that considerable volume of this procurement consists of highly technical scientific and laboratory equipment, apparatus, material and supplies for the operation of PMA's service, research, and regulatory programs.

(c) While not reflected in the dollar value of procurement shown above, procurements of supplies and equipment are frequently made for CCC and PMA county office programs. Examples are: insecticides, dye, special signs and engineering, surveying and testing equipment.

4. Utilization and disposal activities involve:

(a) Establishing and maintaining property accountability records and reconciling annual inventory with such records as required by the Federal Property and Administrative Services Act of 1949, as amended. Total cost value of this property is estimated at $5,500,000.

(b) Surveys to protect and increase usefulness of property.

(c) Transfer of property between offices for maximum utilization and disposal of property excess to needs of PMA.

(d) Review and preparation of motor vehicle accident reports and assisting in developing and instituting safety measures.

5. Real property management includes:

(a) Collaborating with GSA in locating and obtaining space in specified metropolitan areas.

(b) Locating and leasing space in the field outside of specified metropolitan areas.

(c) Arranging and contracting for utility services when not included in leases.

(d) Surveys to provide for more effective utilization of space both in Washington and field including scheduling and carrying out movements of office equipment, furniture, etc. At present 1,600,000 square feet of space is managed. Approximately 1,400 moves are made annually in Washington.

(e) Making arrangements for installation of, or provisions for telephones, buzzers, partitions, lights, painting, plumbing and other building services. Telephone changes average about 6,500 annually in Washington. Building maintenance work averages about 2,700 requests for service annually in Washington.

6. All other property management:

(a) Washington personnel:

(1) Maintains inventory of forms in Washington and field as basis for authorizing transfers of bulk stocks between field offices and for procurement of replenishment stocks. There are approximately 2,000 different program forms currently being used throughout the country in connection with the various regulatory program and service activities of PMA.

(2) Maintains mailing lists and arranges for and distributes to Washington and field offices, reproduced material, i. e., forms, procedures, notices, instructions, etc.

(3) Maintains and distributes emergency stocks of forms, procedures, informational and related material.

(*b*) Field personnel:

(1) Furnishes duplicating services to PMA offices located in New York, San Francisco, Chicago, Dallas, and Atlanta.

(2) Maintains inventories of bulk stocks of PMA program and administrative forms stocked in supply centers of GSA and authorizes filling of orders from field offices of such stocks.

OFFICE OF THE BUDGET

Mr. ANDERSEN. Next, discuss in the record the duties of the 56 people in the office of the budget.

(The information requested is as follows:)

ORGANIZATION OF BUDGET WORK IN PMA

I. PMA has a central office of budget which serves all of its activities and programs.

A. The budget officer for the Production and Marketing Administration and Commodity Credit Corporation is Chief of the Office of Budget.

1. He reports directly to the Administrator of PMA, who is also Executive Vice President of the CCC.

B. The current personnel strength (April 16, 1953) of the Office of Budget is 52.

1. Reductions contemplated in the fiscal year 1954 number two.

(*a*) By not filling vacancies, regrouping and increasing effectiveness, this office has reduced its personnel strength over 22 percent since April 1, 1950.

(*b*) During this period, there has been no decrease in responsibilities and workload has increased.

2. The current actual employment includes two employees who comprise a legislative services unit for PMA, which for administrative purposes, is attached to the Office of Budget.

C. The Office of Budget is organized on a straight-line basis, with two divisions.

1. Each division has responsibilities for specific programs and for specific organizational units.

(*a*) The Marketing and Production Adjustment Division has responsibility for the following:

(1) Funds:

(*a*) *Appropriated funds*:
- Conservation and use of agricultural land resources
- Sugar Act program
- Agricultural adjustment programs
- National school-lunch program
- Salaries and expenses, marketing services
- Repayment to CCC, marketing services

(*b*) *Special accounts:*
- Administrative expenses, section 392, Agricultural Adjustment Act of 1938
- Local administration, section 388, Agricultural Adjustment Act of 1938

(*c*) *Reimbursable items*:
- None

(*d*) *Funds allotted from other agencies:*
- Agricultural Marketing Act
- Flood prevention
- Miscellaneous contributed funds
- TCA (point 4)

(*e*) *Collections for services rendered:*
- Trust funds (inspection and grading of farm products)
- Federal Crop Insurance Corporation
- Service charges to producers

(*f*) *Other:*
- Perishable Agricultural Commodities Act fund
- Working funds (aerial photography and Army inspection)

(2) Organizational units:
- Office of Administrator
- Office of Assistant Administrator for Commodity Operations
- Office of Assistant Administrator for Marketing
- Office of Assistant Administrator for Production

(2) Organizational units—Continued
Office of Price
Aerial Photographic Laboratories
Office of Personnel Management
Office of Budget
Agricultural conservation programs
Sugar Branch
State and county offices
Fruit and Vegetable Branch
Food Distribution Branch
Joint operating committees
Tobacco Branch
Livestock Branch
Office of Information Services
Marketing and Facilities Research Branch

(*b*) The Price Support and Supply Division has responsibility for the following:
(1) Funds:
(*a*) *Appropriated funds:*
Removal of Surplus Agricultural Commodities
CCC Administrative Expense Limitation
Defense Production Act
(*b*) *Reimbursable items:*
International Wheat Agreement
Miscellaneous reimbursements
(*c*) *Funds allotted from other agencies:*
Ocean transportation
MSA surplus determination
(*d*) *Collections for services rendered:*
Supply and foreign purchase program
(*e*) *Other*
Working fund (cotton and wool grading)
CCC capital funds
DPA revolving fund
(2) Organizational units:
Grain Branch
Compliance and Investigation, Office of
Audit, Office of
Dairy Branch
Poultry Branch
Fats and Oils Branch
Fiscal Branch
Transportation and Warehousing Branch
Cotton Branch
Administrative Services, Office of
Materials and Facilities, Office of
Requirements and Allocations, Office of
PMA commodity offices

2. Each division does essentially the same kind of work, but the variety of funds administered and the large number of different types of organizational units in PMA make it necessary to divide the supervisory responsibility.

(*a*) One of the division chiefs serves also as Assistant Chief of the Office of Budget.

(*b*) Each division performs both the budget formulation function for its assigned funds and the execution function for both the funds and organizational units assigned.

(1) Sixty-eight percent of the time of PMA budget personnel is spent on the execution phase of budget work.

3. Neither division is organized into sections or units—rather, each is organized on the basis of groups.

(*a*) This gives added flexibility in that personnel may be shifted around as required by workload without being hampered by a fixed organizational structure.

II. All PMA budget formulation and overall execution work is centralized in the Office of Budget.

A. There are no budget offices in the field.

1. Field offices administer their own allotments only and make estimates only of their own requirements for the fiscal year for which funds are available or included in the budget.

2. The same is true of the Washington branches and offices.

III. Operating branches and offices participate in preparing budget estimates and furnish information for budgetary purposes.

A. They make initial program volume estimates for the CCC, section 32, sugar and school-lunch programs, and, as required, furnish advice in connection with the formulation of estimates of administrative expenses.

B. Their participation is viewed as a part of the planning or operating phases of their program administration and not as budgetary administration.

IV. There are a number of aspects of PMA operations which cause a heavy workload in budgetary administration.

A. The large number of individual activities for which PMA is responsible.

1. Including ACP, which is serviced by PMA, there are about 18 major categories of activities as follows:

ACP
Sugar Act
Surplus removal under section 32
School-lunch program
Market news service
Inspection, grading and classing, and standardization
Improvement of marketing practices
Freight rates for farm products
Regulatory activities
CCC price-support operations
CCC supply and foreign purchase operations
International Wheat Agreement
Acreage allotments and marketing quotas
Agricultural marketing research work
Stockpiling under the DPA
Defense Production Act
Marketing agreements and orders
Administration of regulations under Perishable Agricultural Commodities, Produce Agency, and Export Apple and Pear Acts.

2. A number of these activities are subdivided into lesser activities which must be treated individually in budgets and fund control.

B. The several different sources of the funds used by PMA.

1. Appropriations, authorizations, allotments from other agencies, reimbursements for services, trust funds, revolving funds, working funds, and the borrowing authority and capital of the CCC.

C. The large number of different organizational units within PMA through which activities are carried out.

1. Nineteen Washington branches and offices, with 421 field offices of various sizes, including temporary and seasonal offices, reporting directly to these branches and offices, and 11 branches or offices with only Washington operations.

2. Eight PMA commodity offices.

3. Forty-eight PMA State and two PMA insular offices.

4. Three thousand and thirty-two county PMA committees.

(*a*) Exhibits A and B present a functional organization chart for PMA, prepared for budget purposes.

D. The fact that except for certain field offices reporting directly to Washington branches, (such as market news offices) each organizational unit in each category carries out more than one of PMA's several activities.

1. There are nearly 148 allottees receiving more than 1 fund out of a total of 460 operating expense allotments.

2. There are approximately 841 individual fund allotments for operating expenses (i. e., each fund allotted to an allottee counted as one).

(*a*) In addition, there are 244 conservation and use program allotments, 28 sugar program allotments and 23 national school-lunch program allotments.

E. In addition, the necessity that workload data be used as the basis for determining necessary allocations of the proper funds for each activity performed by each organizational unit causes a heavy workload in budget execution.

1. The allocation from each fund to each organizational unit is made on the basis of an appraisal of the workload expected to be performed by that unit in carrying out activities authorized to be financed from that fund.

(*a*) Funds are not allocated on a basis to maintain an existing organization if anticipated necessary workload will not justify keeping it at current strength.

(*b*) The method used in the appraisal of workload varies with the category of organizational units involved.

(1) For Washington branches and offices, the Office of Budget holds hearings with each, and each program job is thoroughly reviewed by the Assistant Administrators and the Administrator.

(*a*) In 1952 a position-by-position analysis of the work performed on each activity was made for each branch and related to overall workload indicators to form the basis for 1953 allocations.

(*b*) In this fiscal year, we have made a detailed review on a functional basis of the use of funds allocated for the fiscal year which will form the basis for appraisal of requirements for 1954.

(2) For the PMA commodity offices, detailed data on estimated workload in terms of units handled and time required per unit to handle each different type of work forms the basis for allocations.

(3) For the State PMA offices, detailed workload data on each program job forms the basis for allocations of each fund.

(4) For the county PMA offices in each State, a basic allowance sufficient to keep each office open and in position to serve farmers is allowed.

FISCAL BRANCH

Mr. ANDERSEN. Also, will you describe the duties of the 193 people in the fiscal branch.

(The information requested is as follows:)

FISCAL BRANCH, PMA

The original budget estimates provided for 193 employees in the Fiscal Branch for the fiscal year 1954. Based on the recent budgetary review and curtailment of activities it is now contemplated that employment for this Branch will be down to 173 by July 1, 1953. This is 56 percent below the average employment of 387 in this Branch during the fiscal year 1950.

Overall functions

The Fiscal Branch maintains accounting records for CCC and PMA funds and organizational units, certifies documents for payment, classifies and schedules collections, and provides financial data for use of PMA officials.

Conducts analysis of fiscal policies and develops and prescribes accounting systems and procedures and maintains overall supervision of installation.

Receipts and expenditures under CCC operations approximate $2 billion annually. In addition, CCC inventory, which must be accounted for, presently is valued at $1.2 billion. Other appropriated funds accounted for, including section 32 commitments, total approximately $500 million annually.

Office of Director

Immediate office collaborates with PMA officials on overall fiscal policies; plans, coordinates, and directs the activities of the Branch; the Director serves as controller of CCC and a Deputy Director serves as treasurer and chief accountant of CCC.

The administrative group plans and carries out management of personnel, is responsible for obligation and fiscal control of four allotments and 17 administrative funds totaling $1,215,348, letters of authorization, requisitions for services and supplies, property records, and mail (180,000 pieces annually) and messenger services for the Branch.

Technical staff

Participates in preparation and fiscal review of CCC, section 32, and school-lunch-program dockets, program bulletins, announcements, and operating instructions; surveys fiscal operations in field offices and revises fiscal instructions resulting from changes in such programs (there were 82 active programs in 1952). Develops fiscal plans and procedures and assists field offices in installation and application of procedures on new programs; and collaborates in fiscal aspects of organizational changes.

Fiscal Control Division

Accounting systems.—Responsibility for the operation of all PMA accounting systems and control accounts.

Review and examination.—Reviews PMA and CCC financial reports.

Statements and reports.—Prepares reports reflecting financial condition of CCC and other funds available to PMA using approximately 26,500 supporting schedules in the preparation of the aforementioned reports.

Billings, refunds, and reimbursements.—Prepares billings against PMA and other governmental and nongovernmental agencies. Examines, reviews, and processes documents to effect refunds and reimbursements.

Collections.—Determines and controls the application or allocation of collections pertaining to PMA funds to the proper account.

Voucher audit.—Audits payments to fiscal agents of CCC.

Control accounts.—Maintains accounts to control PMA funds involving about 3,600 allotment advices annually.

Valuation reserves.—In collaboration with PMA commodity branches establishes valuation reserves to cover estimated losses on commodities owned by or pledged to CCC.

Export shipments.—Maintains accounts of cash or credit arrangements including obligation and liquidation covering purchases of commodities for export by United States Government agencies to foreign governments.

Barter contracts.—Reviews contracts between CCC and commercial firms relative to exchange of agricultural commodities for strategic materials.

Claims Division

Claims analysis.—Responsible for the review and analysis of all program claims where action by the Vice President of CCC is required.

Determinations.—Prepares determinations on all tort claims against CCC in excess of $1,000. Adjudicates and settles claims involving CCC administrative expense funds. Claims in the above categories average about 2,000 annually.

Fiscal review. Reviews determinations on all claims adjudicated by Washington branches to ascertain that they conform with contract provisions.

Contracts.—Examines contracts and bonds for form and compliance with legislative and administrative regulations. These average 1,200 annually.

Accounts.—Ascertains that all claims by and against CCC are properly established in the accounts and issues "letters of demand."

Cash Receipts and Disbursements Division

Disburses capital funds for the Washington office for authorized program expenditures, including payments of interest and repayment of loans. Receives, schedules, and deposits all cash collections, repayments, and refunds received by the Washington office. Maintains overall cash accounts for capital and other funds including daily receipts and expenditures. Prepares daily notes for borrowings of the Corporation including computation and reconciliation of interest charges payable and receivable. Insures the adequacy of the Corporation's cash balance but maintains balance at a minimum by correlating the immediate cash needs of the various disbursing officers and arranges for necessary funds. Approximately 6,000 vouchers are paid and 50,000 checks are received annually.

Financial Analysis Division

Price quotations.—In collaboration with other PMA branches, develops policy and procedure relating to prices for commodities sold by CCC, assists in the installation of pricing systems, issues sales price formulas and specific sales prices as required, analyzes and develops estimated cost data and prices for use in developing sales programs, develops estimated sales transaction valuations for use in obtaining financial coverage, and develops from analysis periodic reevaluations to assure that such coverage remains adequate during the period in which commodities are delivered.

Analysis.—Prepares timely analyses, as warranted by existing conditions or in answer to special requests, interpreting data on operations of the CCC and of PMA programs for use in determining program requirements, or in reply to inquiries from Members of Congress and others.

Financing.—Maintains a continuous review and makes recommendations for financing arrangements for program operations. Consideration is given to money rates in general, services rendered by lending agencies and fiscal agents, and the degree to which the method of financing in use or proposed facilitates the operation of the various programs involved.

Consultation.—Provides assistance and guidance to the members of the Treasury Appraisal Committee in their annual appraisal of the assets and liabilities of the Corporation. Collaborates and participates with the technical staff on fiscal management in the development of major fiscal policies for the CCC, particularly as to the effect of any contemplated changes in the financial statements. Advises members of the staff of the Office of Audit, PMA, and the GAO concerning financial transactions and statements.

Reports.—Develops formats for financial and operating statements of the Corporation reflecting the status of CCC funds and operations, reviews and approves completed statements and develops the narrative analysis, notes, and descriptions of items to accompany such statements.

OFFICE OF INFORMATION SERVICES

Mr. ANDERSEN. Will you describe the work of the 65 people in the Office of Information Services?

Mr. GORDON. Yes; we already have that prepared.

(The information requested is as follows:)

INFORMATION SERVICES—PRODUCTION AND MARKETING ADMINISTRATION

The original estimate provided for 101 employees of whom 65 were for Washington and 36 for the field.

PMA's public information service is limited to supplying the necessary minimum of reports and program explanation which is essential to sound administration of programs which are mandatory under the law. Farmers, the businesses which process, store, and handle their products, consumers—all these need prompt and clear reports on all program decisions and operations. The results of research and studies must also be made available effectively to those for whom the basic work has been done. We have no provision at all for any information activity which would go beyond these minimum needs and into the questionable fields of "interpretation" or "policy" expression.

We are now making a reduction of a little more than 20 percent in the positions in our information services. This will bring the total number down from 92 to 72, in both Washington and the field offices and in all grades and types of service. The number of information employees was as high as 193 in 1946, the first year of PMA operations.

PMA handles problems with widespread ramifications, including the action programs covering production, marketing, and commodity operations and price support—including all program operations of the Commodity Credit Corporation. CCC has no separate information service.

A great many program decisions are made in the agency, affecting practically all phases of farming and the handling of farm commodities. They involve hundreds of millions of dollars in Government operations. In addition, there is a heavy workload of service and research activity—especially in the marketing and food-distribution fields.

There are no separate information services or personnel in the 9 commodity and 12 functional branches and offices of the agency. All of the necessary service, editorial, and public information work is handled on a coordinated basis in a single office.

Certain overall services which are not included under the information offices of some agencies are handled by our Office of Information Services. These include all general correspondence and requests for information which do not fall in the field of any particular branch or office (more than 60,000 letters last year); all bulletin and publication distribution; technical editing and official clearance of all statements and material which is to be duplicated or distributed to the public. These are in addition to what is normally thought of as public information work.

Washington office

There are 41 positions in our information services in the Washington office, of which 26 are engaged in supporting services such as answering correspondence, distributing bulletins and other duplicated material, preparing charts and illustrations needed for publications, technical editing of copy in preparation for printing or duplicating, keeping the necessary personnel and budget records, and secretarial, clerical, and messenger services.

The remaining 15 people in the Washington office cover supervisory work, including cooperation with the Administrator's office on overall operations and in the specific fields of production, marketing, and commodity operations. They also handle the normal information services involved in writing, editing, clearance, and meeting the constant requests from press, trade representatives, governmental agencies, and the public in general for current and background information on program provisions and the status of operations in all of our 21 branches and offices. This group also handles the planning and preparation of any information materials which are to be sent to the field for use in helping to report on and explain program and service operations in various parts of the country.

Brief comment on individual information services will help explain the type of operations carried out in the Washington office:

Press.—Prompt announcement of action taken under PMA's various price support, surplus removal, export, supply, adjustment, and other programs is essential public information. It is necessary to orderly trade in the agricultural commodities involved. The needed information includes reports of sales, purchases and current inventory positions, in addition to program decisions. The Office of Information Services prepares official statements or "press releases" on all these developments. In recent years, these have constituted more than half of all such current information releases from the Department.

Reports and publications.—Reports and publications are issued as required (165 last year) to meet the needs for basic information on the results of research studies, grading and inspection standards, regulatory laws, marketing practices, market summaries, and the necessary explanation of program operations. These publications take the form of farmers' bulletins, circulars, leaflets, or handbooks. Approximately 50 of the publications being issued in the current fiscal year are reports on research activities under the Agricultural Marketing Act of 1946. Only one periodical is issued—a monthly publication devoted entirely to marketing activities.

Radio and television.—While we pay for no radio or television time, and employ no radio or television specialists, we do work closely with these established services in the distribution of information. For instance, there are many regularly scheduled broadcasts of market news summaries. Marketing and other information is also made available regularly to radio and television outlets. Other than the part-time services of information personnel and some duplicating expenses, the only costs involved in the current year's operations have been a total of less than $500 for purchase of moving-picture reprints and still pictures for use in connection with experimental television programs carried out by the Department's central office of information under the Agricultural Marketing Act of 1946.

Motion pictures.—No motion pictures have been made or authorized by PMA during this fiscal year. We have spent a few hundred dollars in buying reprints of earlier commodity films for use in market training work, have contributed a total of $7,000 toward the costs of 2 general movies (Grasslands and Corn) produced by the Department of Agriculture, and have used some copies of older films.

Exhibits.—Some exhibit material formerly used in connection with the agricultural conservation program is being transferred to the agency now responsible for that program. Otherwise, we have done very little with exhibits. There are 4 or 5 small folding exhibits which are used at meetings in connection with school-lunch and other food-distribution programs. We never pay for any exhibit space.

Special requests.—Special individual requests for current or background information about program operations and services are received in large number from trade publications and associations, farm organizations, commodity interests, press and radio reporters, other Government agencies and congressional offices, and from the general public. The Office of Information Services provides a central point for handling the bulk of these, not only providing a prompt and coordinated service but also saving a great deal of time for operating officials.

Field information offices

We have five area information offices, at New York, Chicago, San Francisco, Dallas, and Atlanta. There are 6 positions in 4 of these offices and 7 in Chicago, where the workload of market news and related information is heavier, or a total of 31 field positions in all.

These area offices are "marketing information" offices. They distribute current and locally adapted market information to all segments of the economy, with the primary objective of helping obtain the greatest possible efficiency in the distribution and marketing of agricultural commoditie .

First responsibility of these field offices is to consolidate and summarize the market reports which originate in more than 140 commodity market-news offices throughout the country. Such summaries are adapted to fit the requirements of trade and public-information outlets, and they are made available several times a day on definite schedules to press, trade, and radio services. This type of distribution insures the quickest possible availability for farmers and businessmen, and it cuts down on the need to mimeograph and mail great volumes of detailed market-news reports to individuals. It increases the effectiveness of the basic investment in market-news reporting.

These area offices also provide farmers, the trade, and consumers with a great deal of other localized and adapted information regarding other marketing services in the fields of grading and inspection, regulatory acts, marketing research, marketing-agreement programs, price-support and commodity-handling operations, plentiful-food programs to move more supplies through normal channels of trade (like the present beef campaign), and other related marketing activities. They work with and through press, trade papers, radio, television, and other established channels in distributing the marketing information. In addition,they meet thousands of local requests from business people and others for current and back-ground information.

Of the average of 6 people in each of these 5 area offices, 2 do clerical and stenographic work. Approximately 2 man-years of the time of the remaining 4 people is devoted to market-news service; the rest to general marketing and related information.

OFFICE OF PERSONNEL MANAGEMENT

Mr. ANDERSEN. Place in the record the duties of the 62 people in the Office of Personnel Management.

(The information requested is as follows:)

EMPLOYEES ENGAGED IN PERSONNEL WORK, PMA

I. NUMBER OF EMPLOYEES

The original estimate provided for 129 employees of whom 62 were for Washington and 67 for the field.

A. The table which follows reflects the total employment for PMA and the Office of Personnel Management from 1945, when PMA was established, through June 30, 1952.

1. PMA employment has decreased during the past 7 years by approximately 10,000, or 48.5 percent.

2. Employment in the Office of Personnel Management has decreased 146, or 56.6 percent.

B. The following information was submitted to Bureau of the Budget on staffing requirements for personnel work:

	1952 actual	1953 estimate	1954 estimate
1. Staff (average)	109.1	109.4	109.4
2. Persons serviced	11,587	11,660	11,660
3. Ratio	106	107	107

II. SERVICES FOR PERSONS NOT ON AGENCY'S ROLLS

A. About 5 man-years are devoted to this category.

B. The Office of Personnel Management of the PMA renders advisory and staff services to more than 135,000 workers, most of whom serve in the PMA county and community committees, and their employees, throughout the United States.

1. The following services are provided to the PMA county committees throughout the United States:

(*a*) Counseling on personnel policy under PMA personnel program.

(*b*) Continuous analysis of social-security coverage.

(*c*) Continuous development of a safety program, administration of accident-reporting system, and processing all injury-compensation claims.

(*d*) Investigation service. (This phase is further expanded by Instruction PMA 150.1, dated January 16, 1953.)

(*e*) Development of an incentive and awards system providing guidance and assistance.

(*f*) Training projects, furnishing training aids, guidance and assistance in the development of training projects.

(*g*) Maintenance of special records and reports on county personnel matters.

(*h*) Survey and advisory services on wage and salary administration.

(*i*) Development of wage and salary plan.

III. GEOGRAPHICAL DISPENSATION OF PMA OFFICES

A. At the present time the Office of Personnel Management serves four major categories of offices in the field, namely:

1. Four hundred and twenty-one field offices of the Washington branches and offices.
2. Eight PMA commodity offices.
3. Fifty PMA State and insular offices.
4. Thirty-nine offices of milk-marketing administrators.

B. In order to meet the manpower needs of this complex structure, the personnel organization of PMA has been decentralized into nine units in the following locations: 1. Chicago, Ill.; 2. New York, N. Y.; 3. Atlanta, Ga.; 4. Dallas, Tex.; 5. San Francisco, Calif.; 6. Kansas City, Mo.; 7. Portland, Oreg; 8. Minneapolis, Minn.; 9. New Orleans, La.

IV. LARGE VOLUME OF CLASSIFICATION WORK

A. The Office of Personnel Management has been continuously faced with adjustments in job patterns and employee assignments as a result of continuous changing of PMA programs, the addition and adjustment of defense programs, and by the many branch reorganizations brought about by such changes.

B. The Whitten amendment (Public Law 253) has increased position-review requirements in the form of actual desk audits by 25 percent, or approximately 2,800 annually.

C. The changes in price-support and production-adjustment operations have caused tremendous changes in position patterns and grade adjustments in PMA commodity-office operations we well as extensive reorganizations.

D. The revision of class specifications and the development of new, and revision of established standards have greatly increased workload.

E. In addition, the consolidation of the county offices of Agriculture makes it necessary to conduct a wage and salary survey of PMA county office (3,032 offices) personnel to insure equitable wages between personnel of the various offices consolidated.

F. Wage-stabilization regulations have increased the workload considerably in connection with wage-administration problems in county offices and with respect to nonallocated cooperatively controlled agents.

G. Difficulties in recruitment of position classifiers resulted in Office of Personnel Management's operating with three less personnel than were authorized in the fiscal year 1952.

V. RECRUITMENT OF SCARCE OR SPECIAL SKILLS

A. The manpower problem continues acute in PMA in recruiting individuals engaged in specialized or scarce categories of occupation.

1. Executive Order 10182, as amended by Executive Order 10205, issued under the authority of the Defense Production Act of 1950, authorized the employment of persons of outstanding experience and ability without compensation, the employment of experts and consultants at not to exceed $50 per diem, and the utilization of services of Federal, State, and local agencies and voluntary and uncompensated services as may be needed.

2. Defense activities throughout the entire country and within the Federal Government have caused serious shortages in skilled occupations which not only service the commercial trade but render valuable assistance to the Armed Forces.

(*a*) Some of the more critical manpower shortages are rubber specialists, fuel and energy specialists, industrial engineers (time and motion study), transportation economists, stenographers, typists, and others.

(*b*) These shortages of skilled occupations have caused considerable difficulty in recruiting, thereby creating a heavy load in the Employment Section.

VI. LARGE SEASONAL EMPLOYMENT

A. The inspection and regulatory programs of the Administration on major commodities cause large fluctuations in seasonal employment, involving about 2,000 workers:

1. This is especially true in the case of commodity branch work such as the work of cotton classers, tobacco inspectors, inspectors of processed foods, inspectors of fresh fruit and vegetables, and dairy and poultry inspection personnel.

B. Basic staff requirements have been established in the 48 State offices and the 8 commodity offices from which variations are made, depending on workload.

VII. SPECIAL REQUIREMENTS OF LAWS OR REGULATIONS NOT APPLICABLE TO ALL AGENCIES

A. The Civil Service Commission has approved the continuation of Milk Marketing Administration employees under schedule A of the Commission's regulations.

1. Additional special instructions governing the markets pertaining to leave and other personnel matters will be required during the current year.

B. In addition, PMA is still faced with regulatory and inspection activities carried on under cooperative agreements with States, involving not only the nature and extent of the activity but also the salaries paid to individuals.

PERSONNEL FIELD OFFICES

At present there are 5 personnel field offices, with 65 employees. It is contemplated that early in the fiscal year 1954 these offices will be reduced to 3 and the employment reduced to 50.

Comparison of total PMA employment with total Office of Personnel Management employment, fiscal years 1945 through 1952

Item	As of Jan. 31, 1953	As of June 30, 1952	As of June 30, 1951	As of June 30, 1950	As of June 30, 1949	As of June 30, 1948	As of June 30, 1947	As of June 30, 1946	As of Aug. 18, 1945
Total PMA employment	[1] 10,913	[2] 10,455	[3] 11,805	[4] 12,662	[4] 11,101	[4] 9,838	[4] 13,019	[4] 21,209	[4] 20,317
Washington	2,367	2,449	2,863	2,905	2,932	2,915	3,104	4,451	4,265
Field	8,546	8,006	8,942	9,757	8,169	6,923	9,915	16,758	16,052
Part-time employees included in above total	433	282	323	377	311	275	965	1,297	467
Office of Personnel Management	127	112	155	143	140	168	198	[5] 200	[5] 258
Washington	62	58	74	60	59	75	98	120	128
Field	65	54	81	83	81	93	100	140	130

[1] Excludes 672 Milk Marketing employees serviced by OPM.
[2] Excludes 652 Milk Marketing employees serviced by OPM.
[3] Excludes 586 Milk Marketing employees serviced by OPM.
[4] Fiscal year 1950 and all prior years exclude Milk Marketing employees as they did not come under civil service until July 1, 1950, and during this time were not reported.
[5] Excludes 48 personnel employees in D. C. and 24 in the field who were transferred to PMA (but not physically) from Office of Labor, FCIC, and Field Service.

Mr. ANDERSEN. Also, describe the work of the field staff of the Office of Administrative Services, involving 152 positions.

ADMINISTRATIVE AND INFORMATION PERSONNEL

Mr. ANDERSEN. Place in the record a statement showing how many administrative and information people do you have in the various commodity branches in Washington?

(The information requested is as follows:)

ADMINISTRATIVE FUNCTIONS IN BRANCHES AND OFFICES OF PRODUCTION AND MARKETING ADMINISTRATION

The administrative functions performed in branches and offices consist of preparing detailed estimates of funds required to operate the branch or office by programs and organizational units, advising the Office of Budget of required allotments of funds by quarter for various field offices, and maintaining constant analysis of current fund requirements as compared with funds allotted. (There are some 208 cooperative agreements under "Expenses and refunds, inspection and grading of farm products," and it is necessary to maintain records on collections and expenditures by each limitation.) The detailed accounting records of obligations are maintained in branches and offices and adjusted to expenditures. Monthly and periodic reports are made to the Fiscal Branch and the Office of Budget.

The administrative group prepares for the head of the branch or office letters of authorization; requisitions for supplies, equipment, printing, and duplicating services; obtains office space; equipment repairs; collects, routes and distributes mail; initiates action for recruitment, promotion, classification and termination of employment and related personnel actions.

There are 421 field offices, ranging from 5 to 80 per branch or office, located in all parts of the United States. There is, therefore a considerable workload in preparing required administrative procedures, correspondence, in consolidation of reports, and in related administrative work to service these offices.

In many instances this work represents only part of the duties of employees engaged in other functions. The estimated equivalent in terms of number of employees of the time spent on administrative work is as follows:

Washington branches and offices	62
(Average of 3.3 per branch or office.)	
PMA commodity offices	[1] 19
(Average of 2.4 per branch or office.)	
PMA State offices	[1] 37
(Average of 0.8 per branch or office.)	
Field offices of Washington branches and offices	46
(Average of 0.1 per branch or office.)	

[1] Estimated, since information on the exact number was not available in Washington.

INFORMATION PEOPLE IN COMMODITY BRANCHES IN WASHINGTON

All of the information people employed in PMA are in the Office of Information, except one individual in a commodity branch who is a specialist on meat cuts.

ECONOMISTS

Mr. ANDERSEN. We want for the record the information as to the 82 economists you have in your organization.

Mr. GORDON. Yes.

(The information requested is as follows:)

ECONOMISTS EMPLOYED BY PMA

I. Exhibit A, which follows, shows by branch or office, the number of positions listed in the 1953 column of the 1954 budget, by grade, which contain the word "economist" and a comparison with the number included in the 1954 estimates.

A. The total number listed for 1954 is 62, or nearly 25 percent less than in 1953.

B. The total of 82 for 1953 is divided by grade as follows:

1. 26.8 percent in each of the grades GS–13, GS–12, and GS–9, and

2. 19.6 percent in GS–11.

II. There follows a detailed categorical grouping of the types of work performed by the 82 economists listed for 1953.

A. Work necessary for the effective execution of specific PMA programs other than research programs.

1. Preparation of economic justifications and analyses, including the analysis of data on:

a. Production trends
b. Price trends
c. Distribution
d. Utilization
e. Consumption
f. Tariffs and duties
g. International Commodity Agreements
h. Price differentials by grade, type, and location of product
i. Other data

2. This work is required for the following specific programs:

a. Economic justifications required for price support and surplus removal operations proposed to Board of Directors of CCC.

b. Marketing agreements and orders.

c. Acreage allotment and marketing-quota programs.

d. Sugar Act payments and determinations of fair and reasonable wages and prices under the Sugar Act.

e. Production goal determinations.

f. School-lunch program.

3. The reasons economists are needed in PMA for this work are as follows:

a. Economic data available from other sources, such as BAE, OFAR, Department of Commerce, trade sources, etc., must be analyzed and evaluated by qualified technicians in order to provide information required to make specific determinations needed in the formulation and administration of individual program operations.

(1) Work must be done by persons closely associated with programs in order that they may be fully familiar with problems involved.

b. In some instances, such as data on sugar stocks, data are not available elsewhere and economists both determine the nature of the data required and perform the required economic analyses.

(1) Also, much of the current market information utilized by all agencies is collected and reported by PMA Market News Services.

4. Exhibit B shows the number of economists by grade, by organizational unit, performing work in this category.

B. Research in the marketing field to find ways to increase efficiency and reduce costs.

1. Research on marketing facilities and equipment (other than materials handling).

a. Designed to promote the construction of improved facilities in specific localities.

2. Research on the physical handling of farm products as they move from the farmer through marketing channels to the consumer.

a. To find methods of preventing deterioration and spoilage

b. To find the least expensive method of moving packages of perishables from cars or trucks to buildings, within buildings, and from buildings to cars or trucks

c. To obtain better utilization and carrier equipment

d. To develop the best storage methods

3. This function is one which PMA is expected to perform and qualified economists are a necessary part of the research groups.

4. Exhibit C shows the number of economists by grade, by organizational unit performing work in this category.

C. Service work by home economists in the national school-lunch program.

1. These home economists perform administrative functions, but their responsibilities require competence in the fields of home economics, foods, and nutrition.

a. They provide technical guidance and direction necessary for the Secretary to make the determinations required by law that schools receiving Federal assistance serve meals meeting nutritional requirements.

b. In addition, they assist in developing plans for the most effective utilization of surplus commodities available for donation to schools and other eligible institutions.

2. Exhibit D shows the number of home economists, by grade, by organizational unit, performing work in this category.

EXHIBIT A

Comparison of number of economists, fiscal year 1953 with fiscal year 1954

Branch or office	Total		GS-13		GS-12		GS-11		GS-9	
	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954
Cotton Branch	2	2			1	1	1	1		
Dairy Branch	10	8	4	5			3	1	3	2
Fats and Oils Branch	8	4			2				6	4
Food Distribution Branch	7	8	1	1	4	4	1	2	1	1
Fruit and Vegetable Branch	10	6	2		2	1	1	1	5	4
Grain Branch	7	10	2	5	1	2	1	1	3	2
Livestock Branch	1	1			1	1				
Marketing Facilities and Research Branch	14	11	4	1	3	4	5	5	2	1
Materials and Facilities, Office of	1		1							
Poultry Branch	3	3	2	2					1	1
Price, Office of	6	1	3	1	1		1		1	
Sugar Branch	11	6	2		6	4	3	2		
Tobacco Branch	2	2	1	1	1	1				
Total	82	62	22	16	22	18	16	13	22	15

EXHIBIT B.—*Economists performing work necessary for effective execution of specific PMA programs, fiscal year 1953*

Branch or office	GS-13	GS-12	GS-11	GS-9	Total
Cotton		1	1		2
Dairy	1		2	2	5
Fruit and vegetable	2			5	7
Grain	2	1	1	2	6
Livestock		1			1
Marketing and Facilities Research	1.7		1		2.7
Materials and Facilities, Office of	1				1
Poultry	2			1	3
Price, Office of	3	1	1	1	6
Sugar	0.3	5	1		6.3
Tobacco		1			1
Total	13	10	7	11	41

EXHIBIT C.—*Economists performing research in the marketing field, fiscal year 1953*

Branch or office	GS-13	GS-12	GS-11	GS-9	Total
Dairy	3		1	1	5
Fats and oils		2		6	8
Fruit and vegetable		2	1		3
Grain				1	1
Marketing and facilities research	2.3	3	4	2	11.3
Sugar	1.7	1	2		4.7
Tobacco	1				1
Total	8	8	8	10	[1] 34

[1] Paid from Agricultural Marketing Act funds.

EXHIBIT D.—*Home economists, fiscal year 1953*

Branch of office	GS-13	GS-12	GS-11	GS-9	Total
Food distribution	1	4	1	1	7

USE OF BUSINESS MACHINES

Mr. ANDERSEN. We also want information in the record as to how many IBM machines you have in your organization.

(The information requested is as follows:)

RENTAL OF BUSINESS MACHINES

1. Number, cost, and location:

A. IBM:
   (1) Total number 210, with 33 different types.
   (2) Annual rental, $352,050.

B. Recordak and Remington:
   (1) Total number 3, with 2 different types.
   (2) Annual rental, $684.

C. Location of machines and rental cost:

	Number	Amount of rental
(1) Chicago	33	$64,350
Dallas	28	48,246
Kansas City	17	28,182
Minneapolis	31	59,796
New Orleans	35	52,866
New York	14	26,268
Portland	13	19,140
San Francisco	17	29,898
Subtotal	188	328,746
(2) Administrative services, Washington	12	9,864
(3) Fruit and Vegetable Branch	13	14,124
Grand total	213	352,734

2. Extent to which IBM machines are used in program operations and administrative work:

A. Maintenance of inventory and loan records;
B. Records of operating equipment and fixed assets;
C. Preparation of all financial transactions and accounting adjustments with the exception of a few summary adjustments which are done manually;
D. Computation of settlement claims;
E. Summarizing data for financial reporting on inventory and loan management;
F. Recording and tabulation of marketing information for periodic dissemination to general public;
G. Compilation of statistical data used in the administration of marketing agreement programs;
H. Computation of averages and statistical measures used in research work;
I. Maintenance of records of inspection certificates and of national shipments of fruits and vegetables;
J. Payrolling and allotment accounting which is done in the available time after handling of the above items.

3. The Recordak and Remington machines are used for incoming mail and records.

4. Special workload factors or program requirements which warrant the use of such machines:

A. Purchases and sales have been as much as $9,670,000,000 annually;
B. Peak-year loans have been $2,069,000,000;

C. Maturity of loans occur immediately prior to harvest of new crop, resulting in necessity for moving acquired commodities to permanent storage in order to make storage space available for new crops;
D. Settlements must be made with warehousemen for storage and commodities moved in a relatively short time;
E. As many as 1 million loans have been made in a 6-month period;
F. Cotton loans run as high as 5½ million bales in a season:
(1) Average loan is 1¼ bales;
(2) Total loan transactions are as high as 3,500,000 (in loans to cooperatives each bale is considered as separate loan).

5. IBM, Recordak, and Remington machines are rented because they are not made available for sale by the companies.
6. Advantages of machines over manual work:
A. Machines can accomplish the job required in much less time than if done manually.
B. There is a greater flexibility in operation. We can shift from one job to another which might require different methods.
C. Elimination of training personnel to handle different type jobs.
D. Chance of error is reduced to minimum.
E. Lower-salaried personnel are used to operate machines than would be needed if jobs were done manually.

FILMS AND MOTION PICTURES

Mr. ANDERSEN. Also, place in the record the work you do on production of films and motions pictures.

(The information pertaining to motion-picture production may be found on p. 1622.)

LEGISLATIVE AUTHORITY

Mr. ANDERSEN. Also, we would like you to insert in the record the basic legal authority for all PMA operations, indicating whether they are mandatory or permissive.

(The information requested is as follows:)

STATUTORY AUTHORITIES FOR PROGRAMS OF THE PRODUCTION AND MARKETING ADMINISTRATION

The statutory authorities for programs of the Production and Marketing Administration are given below:

1. Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301–1393), Public Laws 285, 464, 528, and 585, 82d Congress

The programs carried out under this act provide a method whereby production and marketing of the basic agricultural commodities may be brought in line with needs.

ACREAGE ALLOTMENT AND MARKETING QUOTA PROGRAMS

Tobacco.—Proclamation of quotas mandatory whenever total supply at the beginning of the marketing year exceeds the reserve supply level. Regardless of the supply situation, however, quotas must be proclaimed for each kind of tobacco for which quotas were proclaimed the preceding year.

Cotton.—For upland cotton proclamation of quotas mandatory whenever the total supply at the beginning of the marketing year exceeds the normal supply, and for long-staple cotton whenever the total supply exceeds the normal supply by more than 8 percent.

Peanuts.—Proclamation of quotas mandatory each year regardless of the supply situation.

Wheat, corn, and rice.—Proclamation of quotas mandatory whenever the total supply at the beginning of the marketing year exceeds normal supply by a stated percentage; proclamation of acreage allotments mandatory each year.

Under certain emergency conditions, acreage allotments and/or marketing quotas may be terminated or suspended.

2. Sugar Act of 1948, as amended (7 U. S. C. 1101–1160), mandatory

The Sugar Act program is designed to protect the welfare of consumers and of those engaged in the domestic sugar-producing industry by assuring a supply of sugar at fair prices.

3. National School Lunch Act (42 U. S. C. 1751–1760), Public Law 518, 82d Congress, permissive

The school lunch program is designed to improve the health and well-being of the Nation's children and to broaden the market for agricultural food commodities.

4. Marketing services (5 U. S. C. 511–512, 563–564)

a. Market News Service (7 U. S. C. 471–473, 473b, 475–476, 501–508, 511h)—permissive except with respect to cotton and tobacco, which is mandatory.

The Market News Service provides for the collection and dissemination of timely information on movements, supplies, demand, quality, conditions, and prices of livestock, meats, wool, fruits, vegetables, honey, peanuts, dairy products, poultry products, grain, hay, feed, seed, rice, hops, beans, cotton and cottonseed, tobacco, naval stores, and inedible molasses.

b. Inspection, grading, classing, and standardization (5 U. S. C. 541a, 575; 7 U. S. C. 51–65, 71–87, 91–94, 98–99, 414a, 415b–e, 440, 473a, 473c–474, 511–511g, 511i–511q, 581–585, 587–589, 1622h; 21 U. S. C. 94a, 26 U. S. C. 1920–1935; 31 U. S. C. 725d).

This project includes developing and establishing standards by which quality of agricultural commodities can be accurately judged, providing an impartial inspection, classing, and grading service for farmers, dealers, and others on the basis of these standards; and administering and enforcing regulatory and criminal provisions of statutes that require the use of official United States standards for cotton, cotton linters, and grain sold in interstate commerce and for tobacco sold at designated auction markets.

Mandatory: Cotton, apples, and pears for export, grain (includes Grain Standards Act), tobacco sold at designated auction markets.

Permissive: Cottonseed and cotton fiber testing, dairy-poultry products, fruits and vegetables (other than apples and pears for export), livestock, meats, wool, naval stores, rice, hay, beans, etc., liquid sugar, sirups and molasses, tobacco (other than that sold at designated auction markets).

c. Improvement of marketing practices (7 U. S. C. 423), permissive.

Includes studies and the compilation and dissemination of information to improve marketing methods, practices, and processing techniques; and the development of basic principles for improvement of market and storage facilities.

d. Freight rates for farm products (5 U. S. C. 55a, 574; 7 U. S. C. 1291), permissive.

Provides for assistance to farmers in obtaining and maintaining equitable transportation rates and services through the Department's participation in their behalf in formal cases before the Interstate Commerce Commission and in informal negotiations with carriers and groups of carriers.

e. Regulatory activities (7 U. S. C. 95–97, 135–135k, 181–229, 241–273, 516, 1551–1610; 15 U. S. C. 251–257i).

These activities involve the administration of the following regulatory acts: Standard Container, United States Warehouse, Federal Seed, Packers and Stockyards, Tobacco Plant and Seed Exportation, Federal Insecticide, Fungicide and Rodenticide, and the regulatory features of the Naval Stores Act.

These laws are designed to protect farmers and others from financial loss or personal injury resulting from deceptive, careless, and fraudulent marketing practices. The administration of each includes two or more of the following: (1) Licensing or registration, (2) supervision of operations of licensees, (3) samples, and (4) handling of violations.

Mandatory: Standard Container, Federal Seed, Packers and Stockyards, Tobacco Plant and Seed Exportation, Federal Insecticide, Fungicide and Rodenticide, and Naval Stores Acts.

Permissive: United States Warehouse Act.

5. Repayment to Commodity Credit Corporation (7 U. S. C. 414a)—mandatory due to the fact that legislation provides that inspection and grading of tobacco and classing of cotton not placed under CCC loan be made without charge to producers (Smith-Doxey Act and Tobacco Inspection Act of 1935)

The Department of Agriculture Appropriation Act, 1952, authorizes advances from the Commodity Credit Corporation to appropriations available for classing and grading of agricultural commodities without charge to producers. Such advances must be repaid from subsequent appropriations.

6. Removal of surplus agricultural commodities

a. Section 32 program (7 U. S. C. 612 (c); 15 U. S. C. 713c)—permissive.

To encourage utilization of surplus agricultural commodities and to aid in stabilizing farm prices.

b. Marketing Agreements Act (7 U. S. C. 601, 602, 608a–608e, 610, 612, 614, 624, 671–674)—permissive.

To strengthen prices by establishing and maintaining orderly marketing conditions.

7. Perishable Agricultural Commodities Act (7 U. S. C. 499a–499s)—mandatory

To require handlers to give the farmers a true and correct accounting for commodities sent to handlers for sale in the market; the seller and buyer to comply with terms of the contract; that no false or misleading statement be made.

8. Local Administration, section 388 and Administrative Expenses, sections 392, Agricultural Adjustment Act of 1938 (7 U. S. C. 1201–1407)—permissive

These accounts have been established pursuant to sections 388 (b) and 392 of the Agricultural Adjustment Act of 1938, as amended, which provide that the Secretary of the Treasury is authorized and directed upon the request of the Secretary of Agriculture to establish one or more separate appropriation accounts into which there shall be transferred from the respective funds available for the purposes of the several acts in connection with which personnel or other facilities of the Production and Marketing Administration are utilized, proportionate amounts estimated by the Secretary of Agriculture to be required by the National, State, and county offices in carrying out or cooperating in carrying out any of the provisions of the respective acts.

The amounts transferred into these accounts are within the limitations established for administrative expenses under the respective appropriations from which such transfers are made.

Statutory Authorities for Programs of the Commodity Credit Corporation

Origin

Under the Charter Act of June 29, 1948 (Public Law 806, 80th Cong.), effective July 1, 1948, the Commodity Credit Corporation was established as an agency and instrumentality of the United States under a permanent Federal charter. The charter was amended by Public Law 85, 81st Congress, approved June 7, 1949.

Operations

The Corporation engages in lending, buying, selling, and other activities with respect to agricultural commodities, their products, foods, feeds and fibers to carry out the following five types of programs:

1. *Price support.*—Price support is accomplished through loans, purchases, and purchase agreements pursuant to the Corporation's charter powers (particularly sec. 5 (a) and (d)), in conformity with the Agricultural Act of 1949 (63 Stat. 1051), as amended (66 Stat. 758), and with respect to certain types of tobacco, in conformity with the act of July 28, 1945 (59 Stat. 506). Under the Agricultural Act of 1949, as amended, price support is mandatory for six basic commodities—cotton, corn, wheat, rice, peanuts, and tobacco—and designated nonbasic commodities, namely, wool, mohair, tung nuts, honey, milk, butterfat, and the products of milk and butterfat; price support for other nonbasic agricultural commodities is authorized under legally prescribed conditions.

2. *Supply and foreign purchase.*—The Corporation procures foods, agricultural commodities, their products, and related materials to supply the requirements of Government agencies, foreign governments, and relief and rehabilitation agencies and to meet domestic requirements. The supply and foreign purchase activity is carried out under the authority contained in the Corporation's charter, particularly sections 5 (b) and 5 (c) thereof. Operations are conducted in accordance with procedures and policies reasonably calculated to assure compliance with section 4 of the act of July 16, 1943 (15 U. S. C. 713a–9), which requires that the Corporation be fully reimbursed for services performed, losses sustained, and operating costs incurred for commodities purchased or delivered to or on behalf of any other Government agency.

The production or stockpiling of agricultural commodities under sections 302 and 303 of the Defense Production Act of 1950 is also carried out under this activity.

3. *Storage facilities.*—The Corporation provides for and encourages the construction or expansion of farm storage facilities through loans to producers and maintains granaries and equipment for care and storage of commodities owned or controlled by the Corporation.

The storage facilities program is carried out under the authority contained in the Corporation's charter, particularly sections 4 (h), 4 (m), and 5 (a).

4. *Loan to Secretary of Agriculture for agricultural conservation purposes.*—Under provisions of the Agricultural Adjustment Act of 1938, as amended, the Corporation makes loans to the Secretary of Agriculture each fiscal year in such amounts, not to exceed $50 million, as the Secretary estimates will be required to make advances of conservation materials and services for the agricultural conservation program.

5. *Commodity export.*—The Corporation exports, causes to be exported, or aids in the development of export markets for agricultural commodities and products. This activity is carried out under the authority contained in the Corporation's charter, particularly sections 5 (d) and 5 (f), and the International Wheat Agreement Act of 1949. Under the International Wheat Agreement (7 U. S. C. 1641, 1642), the United States has agreed to supply wheat or wheat products to participating nations at a specified price. The Corporation is authorized to use its general borrowing authority to pay current obligations and to be repaid therefor from appropriations made specifically to cover the costs of the International Wheat Agreement.

Extent to which CCC programs are mandatory

The Agricultural Act of 1949, as amended, provides mandatory price support for the six basic commodities—corn, cotton, peanuts, rice, tobacco, and wheat—and for the designated nonbasic commodities—wool, mohair, tung nuts, honey, milk, butterfat, and the products of milk and butterfat.

Some programs, while classified as permissive, are actually necessary because of their relationship to the mandatory programs. For example, price-support programs for such feed grains as grain sorghums, barley, and oats are vital adjuncts to the mandatory corn price-support program to assure adequate feed supplies. Similarly the storage-facilities program might be classified as permissive but lack of storage space could result in serious deterioration of Government-owned commodities, particularly as new crops are harvested.

STATUTORY AUTHORITIES FOR AGRICULTURAL CONSERVATION PROGRAMS

1. Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590g–590q), Public Law 365, 82d Congress—mandatory

The agricultural conservation program, formulated pursuant to the provisions of sections 7 to 17, inclusive, of the act, is designed to preserve and improve soil fertility, promote the economic use and conservation of land through carrying out approved soil-building and soil- and water-conserving practices.

The Agricultural Conservation Programs Branch was transferred out of Production and Marketing Administration by Secretary's Memorandum No. 1320 dated January 21, 1953, which regrouped the agencies of the Department. For an interim period agricultural conservation programs will use the facilities and field services of the Production and Marketing Administration in carrying out the agricultural conservation program.

Mr. ANDERSEN. The committee will stand adjourned until 1:30 this afternoon.

COMMODITY CREDIT CORPORATION

Amounts available for administrative expenses

	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
Limitation or estimate	$16,500,000	$16,492,110	$17,850,000
Unobligated balance, estimated savings	−1,386,065		
Total direct administrative expenses	15,113,935	16,492,110	17,850,000
Obligations Payable Out of Reimbursements From Other Accounts			
Rendered to Department of Agriculture appropriations (distributed by objects under reimbursing appropriations)	14,931,431	19,105,455	18,156,000
Rendered other appropriations (distributed by objects included in this schedule)	1,728,441	1,565,435	1,429,000
Total obligations payable out of reimbursements from other accounts	16,659,872	20,670,890	19,585,000
Total administrative expenses	31,773,807	37,163,000	37,435,000
Deduct reimbursements rendered Department of Agriculture appropriations	14,931,431	19,105,455	18,156,000
Total administrative expenses	16,842,376	18,057,545	19,279,000

Accrued administrative expenses by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. Price support program	$14,073,652	$14,948,500	$14,948,500
2. Storage facilities program	1,035,099	1,050,000	1,050,000
3. Commodity export program	1,866	1,500	1,500
4. Subsidy program (in liquidation)	3,318	3,000	
Contingency reserve		489,110	1,850,000
Total direct administrative expenses	15,113,935	16,492,110	17,850,000
Obligations Payable Out of Reimbursements From Other Accounts			
5. Supply and foreign purchase program	1,292,482	1,100,000	1,000,000
6. Miscellaneous reimbursements	435,959	465,435	429,000
Total obligations payable out of reimbursements from other accounts	1,728,441	1,565,435	1,429,000
Total accrued administrative expenses	16,842,376	18,057,545	19,279,000

Accrued administrative expenses by objects

Object classification	1952 actual	1953 estimate	1954 estimate
SUMMARY OF PERSONAL SERVICES			
Direct Positions			
Total number of permanent positions	2,975	3,100	3,100
Full-time equivalent of all other positions	3	3	3
Average number of all positions	2,489	2,538	2,532
Positions Payable Out of Reimbursements From Other Accounts			
Total number of permanent positions	286	254	238
Full-time equivalent of all other positions			
Average number of all positions	277	246	229
Average salaries and grades:			
General schedule grades:			
Average salary	$4,800	$4,767	$4,737
Average grade	GS-6.6	GS-6.6	GS-6.5
Personal service obligations:			
Permanent positions	$12,258,317	$12,429,371	$12,335,290
Part-time and temporary positions	12,095	6,251	7,445
Regular pay in excess of 52-week base	47,148	47,805	47,443
Payments above basic rates	35,284	18,753	19,569
Total personal service obligations	12,352,844	12,502,180	12,409,747
Direct Obligations			
01 Personal services	10,879,316	11,200,236	11,201,188
02 Travel	415,418	612,000	625,000
03 Transportation of things	53,293	38,900	38,500
04 Communication services	260,075	285,250	286,000
05 Rents and utility services	946,590	789,549	738,000
06 Printing and reproduction	313,808	350,000	340,000
07 Other contractual services	54,874	50,500	50,000
Services performed by other agencies	2,088,276	2,560,963	2,604,794
08 Supplies and materials	89,337	95,000	95,000
09 Equipment	575	5,600	5,600
13 Refunds, awards, and indemnities	2,368	3,602	3,900
15 Taxes and assessments	10,005	11,400	12,018
Contingency reserve		489,110	1,850,000
Total direct administrative expenses	15,113,935	16,492,110	17,850,000
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	1,473,528	1,301,944	1,208,559
02 Travel	44,550	47,137	42,725
03 Transportation of things	5,514	6,318	5,850
04 Communication services	34,263	35,111	32,100
05 Rents and utility services	46,781	29,280	27,000
06 Printing and reproduction	14,472	15,120	13,070
07 Other contractual services	4,991	10,022	9,600
Services performed by other agencies	93,087	106,200	78,150
08 Supplies and materials	9,654	11,976	10,200
09 Equipment	525	880	350
13 Refunds, awards, and indemnities	71	109	109
15 Taxes and assessments	1,005	1,338	1,287
Total obligations payable out of reimbursements from other accounts	1,728,441	1,565,435	1,429,000
Total accrued administrative expenses	16,842,376	18,057,545	19,279,000

Budgetary Authorization Schedules

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Authorization to expend from public debt receipts: Prior year authorization	$6,750,000,000	$6,750,000,000	$6,750,000,000
Less obligations outstanding at beginning of year	2,684,764,959	2,114,466,664	2,772,078,700
Balance available at beginning of year	4,065,235,041	4,635,533,336	3,977,921,300
Restoration of capital impairment by cancellation of notes and other reimbursements	421,462,507	109,391,154	110,000,000
Cancellation of notes for prior year costs of (1) eradication of foot-and-month disease, and (2) International Wheat Agreement, not credited to the Treasury checking account of Commodity Credit Corporation	32,700,000	193,402,782	178,797,970
Repayments and reduction of obligations (net) [1]	116,135,788		
Total available for obligation	4,635,533,336	4,938,327,272	4,266,719,270
Balance available in subsequent year	−4,635,533,336	−3,977,921,300	−3,558,390,000
Obligations incurred during year (net) [1]		960,405,972	708,329,270

[1] Figures represent net commitments for the year (obligations, less repayments and reduction). Maximum increase in net commitments during the year is as follows: 1952, $3,087,659; 1953, $1,026,000,000; 1954, $941,000,000.

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations at beginning of the year:			
To purchase loans held by lending agencies	$55,315,055	$58,399,753	$185,986,000
Contingent liabilities under purchase agreements	5,519,000	8,073,000	32,900,700
Other	68,930,904	77,950,383	75,192,000
Obligations incurred during the year (net)		960,405,972	708,329,270
	129,764,959	1,104,829,108	1,002,407,970
Deduct:			
Repayments and reduction of obligations (net)	116,135,788		
Unliquidated obligations at end of year:			
To purchase loans held by lending agencies	58,399,753	185,986,000	166,274,000
Contingent liabilities under purchase agreements	8,073,000	32,900,700	27,115,000
Other	77,950,383	75,192,000	78,221,000
Total expenditures out of prior authorizations (net)[1]	−130,793,965	810,750,408	730,797,970

[1] Figures represent net borrowings for the year (borrowings less repayments). Maximum increase in net borrowings during the year is as follows: 1952, −$30,000,000; 1953, $763,000,000; 1954, $754,000,000.

Mr. Andersen. If there are no further questions, gentlemen, we will proceed with the Commodity Credit Corporation.

Justification of the Estimate

We will insert in the record at this point pages 473 through 475 and 526 through 535 of the justifications, and a statement comparing the revised estimate with the original budget estimate.

(The pages referred to follow:)

Purpose Statement

Purpose

The Commodity Credit Corporation's programs are conducted for the purpose of stabilizing, supporting, and protecting farm income and prices, assisting in the maintenance of balanced and adequate supplies of agricultural commodities, and facilitating their orderly distribution.

Origin

The Commodity Credit Corporation was organized October 17, 1933, under the laws of the State of Delaware, as an agency of the United States. From October 17, 1933, to July 1, 1939, the Corporation was managed and operated

in close affiliation with the Reconstruction Finance Corporation. On July 1, 1939, it was transferred to the Department of Agriculture by the President's Reorganization Plan I. Under the Commodity Credit Corporation Charter Act of June 29, 1948 (Public Law 806, 80th Cong.), effective July 1, 1948, it was established as an agency and instrumentality of the United States under a permanent Federal charter. The charter was amended by Public Law 85, 81st Congress, approved June 7, 1949.

Management

The Corporation is managed by a Board of Directors, subject to the general supervision and direction of the Secretary of Agriculture, who is an ex officio Director and Chairman of the Board. The Board consists of six members (in addition to the Secretary of Agriculture) who are appointed by the President of the United States by and with the advice and consent of the Senate. In addition to the Board of Directors, the Corporation has an Advisory Board whose five members are appointed by the President of the United States. Not more than three of the members may belong to the same political party. The Advisory Board meets at least every 90 days to survey the general policies of the Corporation.

The Corporation may, with the consent of the agency concerned, utilize facilities of any other agency of the Federal Government. The Corporation, under this authority, makes extensive use of the personnel and facilities of the Production and Marketing Administration in carrying out Corporation activities. The Corporation also utilizes to the fullest extent practicable the usual and customary channels, facilities, and arrangements of trade and commerce in the conduct of its business.

Financing

The Corporation's programs are financed from the capital funds which are derived from its authorized capital stock of $100 million and its authority to borrow $6,750,000,000 on the credit of the United States. The bulk of the fund requirements result from loans, purchase of commodities, carrying charges, and related expenditures in connection with commodities owned by the Corporation, and interest charges. Offsetting these outlays are receipts from loan repayments, sales of commodities, and interest income.

Operations

The Corporation engages in lending, buying, selling and other activities with respect to agricultural commodities, their products, foods, feeds and fibers to carry out the following five types of programs:

1. *Price support.*—Price support is accomplished through loans, purchases, and purchase agreements pursuant to the Corporation's charter powers (particularly secs. 5 (a) and (d)), in conformity with the Agricultural Act of 1949 (63 Stat. 1051), as amended (66 Stat. 758), and with respect to certain types of tobacco, in conformity with the act of July 28, 1945 (59 Stat. 506). Under the Agricultural Act of 1949, as amended, price support is mandatory for six basic commodities—cotton, corn, wheat, rice, peanuts, and tobacco—and designated nonbasic commodities: namely, wool, mohair, tung nuts, honey, milk, butterfat, and the products of milk and butterfat. Price support for other nonbasic agricultural commodities is authorized under legally prescribed conditions.

2. *Supply and foreign purchase.*—The Corporation procures foods, agricultural commodities, their products, and related materials to supply the requirements of Government agencies, foreign governments, and relief and rehabilitation agencies and to meet domestic requirements. Foods, agricultural commodities, and their products are procured, or aid is given in their procurement, to facilitate distribution or to meet anticipated requirements during periods of short supply. Procurement for supply purposes is made during peak marketing seasons and is closely coordinated with the price-support program to provide the maximum benefit to American agriculture. The production or stockpiling of agricultural commodities under sections 302 and 303 of the Defense Production Act of 1950 is also carried out under this activity.

The supply and foreign purchase activity is carried out under the authority contained in the Corporation's charter, particularly sections 5(b) and 5(c) thereof. Operations are conducted in accordance with procedures and policies reasonably calculated to assure compliance with section 4 of the act of July 16, 1943 (15 U. S. C. 713a–9), which requires that the Corporation be fully reimbursed for services performed, losses sustained, and operating costs incurred for commodities purchased or delivered to or on behalf of any other Government agency.

3. *Storage facilities.*—The Corporation provides for and encourages the construction or expansion of farm-storage facilities through loans to producers and maintains granaries and equipment for care and storage of commodities owned or controlled by the Corporation.

The storage facilities program is carried out under the authority contained in the Corporation's charter, particularly sections 4 (h), 4 (m), and 5 (a).

4. *Loan to Secretary of Agriculture for agricultural-conservation purposes.*—Under provisions of the Agricultural Adjustment Act of 1938, as amended, the Corporation makes loans to the Secretary of Agriculture each fiscal year in such amounts, not to exceed $50 million, as the Secretary estimates will be required to make advances of conservation materials and services for the agricultural-conservation program. These loans are repaid, with interest, from funds appropriated to carry out sections 7 to 17 of the Soil Conservation and Domestic Allotment Act.

5. *Commodity export.*—The Corporation exports, causes to be exported, or aids in the development of export markets for agricultural commodities and products. This activity is carried out under the authority contained in the Corporation's charter, particularly sections 5(d) and 5(f), and the International Wheat Agreement Act of 1949. Under the International Wheat Agreement (7 U. S. C. 1641, 1642), the United States has agreed to supply wheat or wheat products to participating nations at a specified price. The Corporation is authorized to use its general borrowing authority to pay current obligations and to be repaid therefor from appropriations made specifically to cover the costs of the International Wheat Agreement.

Administrative expense limitation:	
Limitation, 1953	$16,492,110
Revised budget estimate, 1954	17,100,000

ADMINISTRATIVE EXPENSES

Administrative expenses cover the costs of the general supervisory and operating staff engaged in carrying out the programs of the Corporation. Estimated costs of the audit of the Corporation's accounts by the General Accounting Office and rental costs for the Corporation's proportionate share of the office space in Government-owned buildings in Washington occupied by personnel of the Production and Marketing Administration are included as administrative expenses. Not included in this category, however, are necessary expenses (including special services performed on a contract or fee basis, but excluding other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest. Such expenses are treated as nonadministrative as provided in the language carried annually in the appropriation act making corporate funds available for administrative expenses. The language proposed in the budget for the fiscal year 1954 authorizing expenditures for administrative expenses of the Corporation contemplates that the Corporation will, consistent with its established practice, treat as nonadministrative expense all expenses of the types which have been so treated during the 1951, 1952, and 1953 fiscal years. It is also contemplated that administrative expenses will be accounted for on an obligation basis as has been the case in the current and prior years.

Administrative services are performed for the Corporation by the employees of the Production and Marketing Administration, and the Corporation assumes its equitable share of the costs of Production and Marketing Administration personnel and other expenses. In addition, the Corporation utilizes the services of other agencies when it is advantageous to do so. The requested administrative expense authorization does not include any amount for administrative expenses incurred in connection with the supply and foreign purchase program. Under this program, the Corporation procures agricultural commodities for sale to other Government agencies, to foreign governments, to domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements. The production or stockpiling of agricultural commodities under sections 302 and 303 of the Defense Production Act of 1950 is also carried out under this program. The budget for the fiscal year 1954 contemplates that the Corporation will be fully reimbursed for administrative expenses incurred in connection with this program. Such reimbursements, which are generally obtained through a markup on invoices evidencing sales under this program, are credited on the books of the Corporation to an income account which, in turn, is charged with

all of the administrative expenses incurred in connection with this program. Balances remaining in the account at the end of any fiscal year are used in succeeding fiscal years to defray administrative expenses incurred in connection with this program, including, of course, the expense of liquidating all phases of this program. The markup is established at a rate which is so determined and applied as to provide full reimbursement on an overall basis for all administrative expenses in connection with the supply and foreign purchase program and takes into account the fact that with respect to particular commodities, sales, or operations, the markup may be more or less than the exact administrative expenses incurred. The rate of markup is adjusted from time to time as conditions warrant.

Administrative expenses

Appropriation Act, 1953	$16,500,000
Reduction pursuant to sec. 412	−7,890
Adjusted limitation, 1953, and base for 1954	16,492,110
Budget estimate, 1954	17,100,000
Increase	+607,890

Summary of increases and decreases, 1954

Increase in connection with the price support program	+$885,000
Decrease in connection with liquidation of the subsidy program	−3,000
Increase in contingency reserve	−274,110

Project statement

Project	1952	1953 (estimated)	Increase or decrease	1954 (estimated)
1. Price-support program	$14,073,652	$15,163,500	+$885,000	$16,048,500
2. Storage facilities program	1,035,099	1,050,000		1,050,000
3. Commodity export program	1,866	1,500		1,500
4. Subsidy program (in liquidation)	3,318	3,000	−3,000	
Subtotal	15,113,935	16,218,000	+882,000	17,100,000
Contingency reserve or unobligated balance	1,386,065	274,110	−274,110	
Total available or estimate	16,500,000	16,492,110	+607,890	17,100,000
Reduction pursuant to sec. 412		+7,890		
Total limitation or estimate	16,500,000	16,500,000		

GENERAL NOTE.—The estimate of $17,100,000 for CCC administrative expenses for the fiscal year 1954 was based on program-volume estimates which have since been revised. The major revisions have been the increase of 2 million bales in cotton-loan volume and reflection of a decision recently made to change the operations of the 1953-crop cotton loan program back to the method followed prior to the 1952 crop-year. Thus the estimate of $17,100,000 may be inadequate. On the other hand, since program volume to a considerable extent is dependent upon crops not yet harvested in the case of winter wheat, crops still unplanted, particularly cotton and corn, and the level of prices 6 to 12 months hence, it is possible that the presently estimated total program may not materialize. Toward the end of this fiscal year, when the production of winter wheat and planted acreages of cotton and corn become better known, the Corporation will be in a position to estimate its financial requirements more accurately. If program volume is as large as now estimated it will be necessary to request the Bureau of the Budget to apportion the limitation under the authority contained in section 1211 of the act of September 6, 1950, in such a manner as to provide needed funds for the early quarters of the fiscal year, even though such a rate could not be continued for the full year with a limitation of $17,100,000.

Functional budget statement

Function	1953 estimated	1954 estimated
1. Program formulation and direction	$1,986,022	$1,993,362
2. Fiscal, transportation and warehousing services	997,743	854,269
3. Audit, compliance, and investigation services	1,495,606	1,341,451
4. Program field operations	11,042,667	12,205,332
Add:		
Transfers to cooperating agencies	695,963	705,586
Contingency reserve	274,110	
Total available or estimate	16,492,110	17,100,000

FUNCTION 1. PROGRAM FORMULATION AND DIRECTION

This function includes formulating the programs and program policies; developing the provisions of the various programs; providing for the dissemination of these provisions to producers and segments of industry involved; and determining and facilitating the means for storing, managing, and disposing of commodities acquired as a result of price support operation. Such operations are performed by the Board of Directors, the Advisory Board, the Administrator of PMA, and the PMA commodity branches. This includes continuous economic and analytical and other related work required on announced programs.

The Agricultural Act of 1949, as amended, provides mandatory price support for the six basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and for the designated nonbasic commodities—wool, mohair, tungnuts, honey, milk, butterfat, and the products of milk and butterfat. Price support for other commodities is discretionary. The level of support for the mandatory commodities and the need for the program as well as the level of support for other commodities must be predicated upon economic factors set forth in the act.

The impact of these programs upon the national economy must be carefully considered. It is necessary to make these analyses not only on those commodities involved in price-support programs but also to keep under constant surveillance the whole area of competing and substitute commodities in order to assure that price-support operations will not disadvantageously affect the prices and marketing of such competing or substitute commodities. (Actual operations in the field are carried out through the PMA commodity offices, PMA State offices, and PMA county offices. See function 4.)

FUNCTION 2. FISCAL, TRANSPORTATION, AND WAREHOUSING SERVICES

These services include: (1) Determining overall fiscal, accounting, and price policy; (2) determining overall policy for custody, transportation, and warehousing; and (3) assisting in the formulation of claims policies and procedures which insure the protection of the interests of the Corporation in the settlement of claims. Included herein is the technical supervision of these functions and the overall maintenance of the books and accounts of the Corporation.

These functions are performed by the Fiscal and Transportation and Warehousing Branches, and, in addition to providing operational data for the everyday management and conduct of the business, they enable the Corporation to comply with the multitude of prescribed fiscal, transportation, and property-accountability laws and regulations.

The decrease in funds for the fiscal year 1954 results from general operating economies.

FUNCTION 3. AUDIT, COMPLIANCE, AND INVESTIGATION SERVICES

These services determine whether the funds of the Corporation have been properly accounted for, and its affairs properly administered; detect fraud or program violations and assist in criminal or civil litigation.

In addition to specific recoveries to the Government resulting from fines, penalties, disallowed claims, and collections of loans, this work has resulted in incalculable benefits derived from the factor of deterrence brought about through general knowledge that audits and investigations are being conducted.

During fiscal year 1953, the Office of Audit, in conjunction with the General Accounting Office, and in accordance with departmental policy, began a special audit of the Corporation. This audit is expected to be completed during fiscal year 1953 and will therefore result in decreased requirements for fiscal year 1954.

FUNCTION 4. PROGRAM FIELD OPERATIONS

Programs are carried out in the field primarily through seven commodity offices. Their functional operations apply to overall accounting for loans, inventories, and costs; and the storage, management, and disposition of inventories of all commodities.

The amounts required by the PMA commodity offices during the fiscal year 1954 were determined in the same manner as were the operating budgets for these offices during the current fiscal year. The method used during the current year was based upon the monthly work-status reports. This report reflects the number of documents (freight bills, loading orders, notes, etc.) processed and the man-days required for such processing for each office. The estimated program volume to be handled by each office was translated into the number of documents to be processed during the fiscal year 1953. On the basis of the experience as reflected in the work-status report, the man-days required to process these documents were determined. This covered all of the expenses of these offices except funds used for fixed operating costs such as supervisory personnel and other objects of expenditure and these were estimated on the basis of past experience.

The decentralization of loan activities to the county offices was placed into effect for the fiscal year 1953, resulting in lower total costs for commodity-office operations. However, a part of this decrease in costs has been offset by an increased supervisory workload in the State offices. The State-office operations include the supervision of the county offices and the coordination of commodity-office operations with those of the county offices. The county-office costs of actually making out CCC loan and purchase-agreement papers and making initial inspections of commodities placed under loan are met from fees charged producers who obtain loans and purchase agreements. The PMA county committees perform other functions for the Commodity Credit Corporation in connection with CCC storage facilities, loans, and purchase agreements, and inventory acquisitions, storage, and dispositions, and the costs for these services are paid by the county offices from their bank accounts. Refunds are made to the county offices from the CCC nonadministrative funds. The total of such refunds is estimated at $12,300,000 for the fiscal year 1953, as compared with $9,473,185 for the fiscal year 1952. Of the total for the fiscal year 1953, $7,501,948 represented the cost of the CCC storage-facilities program, as compared with $7,179,307 for this program for the fiscal year 1952. Most of the increase in county-office refunds by CCC is due to the large volume of program operations in the fiscal year 1953 as compared with the fiscal year 1952 although part of the increase may be attributed to the decentralization of loan activities.

In accordance with the recommendations of the Cotton Loan Advisory Committee the fiscal year 1954 cotton-loan operations will revert to a centralized basis. This change was recommended in order that loan cotton may move more readily through normal trade channels, with direct operations by Government agencies kept to a minimum. It will reduce the cost of operations for the PMA State and county committees but will result in higher commodity-office costs and thus increase the costs chargeable to CCC administrative funds.

The amount of funds required for program field operations is directly related to the volume of program operations. The attached table 1 reflects the volume of program operations for fiscal years 1953 and 1954 and table 2 reflects this volume in terms of man-years and financial requirements for program field operations. Although the fiscal year 1954 program volume estimates indicate a substantial increase in workload for commodity-office operations, it is anticipated that the cost of processing the workload will not increase at the same rate. This is based in part on estimated savings resulting from the consolidation of commodity offices and in part on an assumption that the increased workload will permit a greater rate of productivity per man-hour expended.

TRANSFERS TO COOPERATING AGENCIES

The amount of funds provided in the Appropriation Act for transfers to the Office of the Solicitor for legal work has been relatively constant in recent years. However, during the past 4 years the activities of the Corporation have created a marked increase in the number of cases in litigation and referrals to the Department of Justice, resulting in the accumulation of large backlogs. It is estimated that an increase in funds for this work will provide for the elimination of these backlogs and enable the Office of the Solicitor to maintain the work of the Corporation on a current basis. A detailed justification of this increase is contained

in the budget submission by the Office of the Solicitor. Partially offsetting this increase is a decrease in funds resulting from the discontinuance of a number of statistical reports dealing with the production and storage of seeds, beans, peas, and rice.

COMPARISON OF ORIGINAL AND REVISED ESTIMATES, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Price-support program	$15,163,500	$14,948,500	$16,048,500	[1]+$1,100,000
2. Storage-facilities program	1,050,000	1,050,000	1,050,000	
3. Commodity-export program	1,500	1,500	1,500	
4. Subsidy program (in liquidation)	3,000			
Subtotal	16,218,000	16,000,000	17,100,000	+1,100,000
Contingency reserve	274,110	1,850,000		[2]−1,850,000
Total available or estimate	16,492,110	17,850,000	17,100,000	−750,000
Reduction pursuant to sec. 412	+7,890			
Total limitation	16,500,000			

[1] *An increase of $1,100,000 for the price-support program*

As a result of the review of the administrative expense requirements made pursuant to the request of the Bureau of the Budget on February 3, 1953, it was determined that the estimated administrative expense limitation for Commodity Credit Corporation for fiscal year 1954 would be $15,250,000, with $1,850,000 to be held in reserve, or a total of $17,100,000. This amount included $14,198,500 for price-support operations and was predicated upon the program volume of commodity operations contained in the original 1954 budget estimates. Although there were some increases in the estimated program volume of certain commodities, particularly corn, cottonseed products, and dairy products which were known at the time of the review, it was felt that the reserve of $1,850,000 would be sufficient to cover these increases in program volume.

Since this review, however, there have been further increases in the estimated program volume, particularly in regard to the cotton-loan program. Current estimates indicate that 4,500,000 bales of cotton will be placed under loan as compared to the original estimate of 2,500,000 bales. In addition, and in accordance with the recommendation of the Cotton Loan Advisory Committee, the fiscal year 1954 cotton-loan operations will revert to a centralized basis and costs that are presently charged to Commodity Credit Corporation capital funds will be charged to Commodity Credit Corporation administrative funds.

The estimated increase in program volume will affect only the workload of the PMA commodity offices. The effect of this increased volume was determined by employing the same method of workload measurement as that used in the original budget estimates. The program volume was converted to documents to be processed and then converted to man-year requirements by the application of production rates based on past experience. This review indicated that an additional $2,550,000 would be needed for the PMA commodity offices. However, the consolidation of 8 PMA commodity offices into 7 offices and operating economies instituted throughout PMA resulted in savings of $750,000 for the price-support program. Also, in view of the fact that current program volume estimates may not materialize because they are concerned with crops not yet harvested or still unplanted, it was determined that the estimates should be decreased by an additional $700,000, resulting in a net increase for the price-support program of $1,100,000.

[2] *A decrease of $1,850,000 in the contingency reserve*

Although current estimates of program volume may not fully materialize, there are strong indications that the volume will exceed the original estimates. Since administrative funds required to meet this estimated volume of program operations are $700,000 in excess of the amount provided in this budget, no reserve is being proposed.

Toward the end of the fiscal year, when the production of winter wheat and planted acreages of cotton and corn become better known, the Corporation will be in a position to estimate its financial requirements more accurately. If current estimates of program volume materialize fully, it will be necessary to request the Bureau of the Budget to apportion the limitation under the authority contained in section 1211 of the act of September 6, 1950, in such a manner as to provide needed funds for the earlier quarters of the fiscal year, even though such a rate could not be continued for the full year with a limitation of $17,100,000.

Mr. ANDERSEN. Mr. Gordon, do you have a general statement at this point?

Mr. GORDON. No, sir, I have nothing in addition to my initial statement.

MAJOR PROGRAMS OF THE COMMODITY CREDIT CORPORATION

Mr. ANDERSEN. Please describe each major program for the subcommittee, including price supports, foreign purchases, storage facilities, and commodity exports.

PRICE SUPPORT PROGRAM

Mr. GORDON. Under the Agricultural Act of 1949, as amended, price support is mandatory for six basic commodities, which are cotton, corn, wheat, rice, peanuts and tobacco. The designated nonbasic commodities are wool, mohair, tung nuts, honey, milk, butterfat and products of milk and butterfat.

SUPPLY AND FOREIGN PURCHASE PROGRAM

Now, of course, we also have programs under which the Commodity Credit Corporation procures foods and agricultural commodities, and so forth, for other Government agencies and sometimes for other governments. We recently made a purchase of beef for the Greek Government.

Mr. ANDERSEN. That would come under the program for removal of surplus agricultural commodities, would it not?

Mr. GORDON. That would come, principally, under section 32. Now, the CCC supply and foreign purchase activities are carried out under authority contained in the Corporation's charter, particularly sections 5 (b) and 5 (c).

CCC LOANS

Mr. ANDERSEN. What is the total of the commitments you have today on agricultural commodities?

Mr. BEACH. It is over $1 billion, Mr. Chairman. The total as of January 31 was $1,813,100,000.

Mr. ANDERSEN. What date are you referring to?

Mr. BEACH. That was as of January 31.

Mr. ANDERSEN. January 31, 1953?

Mr. BEACH. Yes, sir.

COST OF CCC PRICE SUPPORT OPERATIONS

Mr. ANDERSEN. How much loss do you anticipate that the Government will take during fiscal 1953 in the entire support program?

Mr. BEACH. The actual estimate of realized losses for the fiscal year 1953 is now approximately $48 million.

Mr. ANDERSEN. Will you place in the record at this point a breakdown, showing the status of the price-support program from its inception and total losses to date?

Mr. GORDON. We shall be glad to do that.

(Information requested is as follows:)

Commodity Credit Corporation cumulative net results of price-support operations by commodities, 1933–Jan. 31, 1953 [1]

[Millions of dollars]

Commodities on which there were net gains:		Commodities on which there were net losses—Continued	
Cotton, upland	238. 0	Grain sorghums	35. 6
Cottonseed and products	15. 9	Beans, dry edible	32. 3
Tobacco	4. 4	Cheese	25. 0
Soybeans	4. 4	Hemp and hemp fiber	21. 5
Other (less than $100,000)	-------	Sugar beets	16. 5
Total	262. 7	Fruit, dried	14. 9
		Barley	10. 1
Commodities on which there were net losses:		Grapefruit juice	1. 7
Potatoes, Irish	478. 1	Naval stores	1. 4
Eggs	189. 7	Rice	1. 4
Wool	92. 1	Seeds	1. 4
Peanuts	91. 7	Oats	1. 3
Wheat	84. 1	All other (less than $1 million each)	4. 1
Flaxseed and linseed oil	66. 1	Total	1, 332. 7
Dried milk	58. 5		
Corn	56. 9	Net loss	1, 070. 0
Butter	48. 3		

[1] Realized gains and losses excluding general income and expense. Before charge of $500 million to the reserve for postwar price support of agriculture and recovery of $56,239,432 from the Secretary of the Treasury under Public Laws 389 and 393, 80th Cong.

Mr. ANDERSEN. What is the total loss since 1933?

Mr. BEACH. The actual figures, Mr. Andersen, on price support operations alone, was $1,070,000,000, which takes it through January 31, 1953.

Mr. ANDERSEN. That covers approximately 20 years. Consequently, the taxpayer has lost up to this date around $50 million a year in the price-support program; is that a correct statement?

Mr. BEACH. That is right.

Mr. ANDERSEN. Have you any estimate whatsoever, Mr. Beach, as to the probable intake into the Treasury of the United States through income taxes resulting from the investment of $50 million a year under the price support program?

In my opinion no one knows exactly how much good the price support program has done for the economy of our nation. But certainly we can assume that it has meant increased revenue into the Treasury of the United States each year, perhaps as much as $500 million a year or $10 billion over the length of the program.

I would like for you to place in the record your opinion as to whether or not that is a reasonable assumption.

Mr. BEACH. Yes, sir. We will do our best on it.

EXPENDITURES DURING WAR FOR SUBSIDIES TO CONSUMERS

I wish you would also put a statement in the record concerning the expenditure of about $2,040,000,000 during the war period for so-called subsidies to consumers. The making available of cheaper butter, meat, and other commodities was in reality a subsidy to the consumer and in no way should be charged against the price support program.

Mr. GORDON. We will be glad to do the best we can on both requests.

(The information requested follows:)

EFFECTS OF PRICE-SUPPORT OPERATIONS ON FEDERAL INCOME-TAX COLLECTIONS

The following statement is based upon some preliminary studies worked out in the Bureau of Agricultural Economics concerning the effects of price supports for wheat, corn, and cotton on farm income during 1948–49 and 1949–50. A more elaborate analysis might lead to somewhat different estimates. The estimates of program benefits given below are probably conservative. Among other things, they do not make any specific allowance for the weakened bargaining position of farmers at harvest time in the absence of price supports. With the bumper crops of 1948 and 1949, farmers, except for the fortunate few who had unlimited private credit, might have been forced to sell at lower prices than were justified by general demand conditions during the season as a whole.

It has been estimated that the direct and indirect effects on farm income of price-support operations in the years 1948–49 and 1949–50 on the three crops—cotton, corn, and wheat—amounted to some $3 billion and $2¼ billion, respectively. These figures are based on the assumption of higher prices for these crops resulting from the price-support program, and take into account possible effects on marketings of livestock resulting from increased feed prices. Additional allowance for price-support operations on other crops might increase these figures to approximately 3 or 3½ billion dollars a year.

This addition to net farm income may be expected to increase farm spending, and hence nonfarm income. On the other hand, the increase in nonfarm income would tend to be offset by higher prices paid for farm products, and might cause reduced spending on other products. The net effect on national income is, therefore, determined by the nature of the adjustments in spending made by farmers and their suppliers as a result of higher prices for agricultural commodities. An increase on the order of magnitude of 3 or 3½ billion dollars could result in additional tax payments to the Treasury of as much as a half billion dollars, though the exact amount would depend, of course, on the manner in which this income is distributed among income groups.

Relatively large price-support operations were necessary in the years 1948–49 and 1949–50. Tax payments attributable to price supports in years with smaller scale price-support operations would presumably be much smaller.

CONSUMER FOOD SUBSIDY PROGRAMS IN WORLD WAR II

Subsidies were used during the World War II period as an important part of the overall mechanism for stabilizing prices of foodstuffs at the retail level. These subsidies helped to prevent increases in prices paid by consumers—prices which would otherwise have been necessary to permit high enough returns to producers, processors, and distributors to assure adequate supplies of essential commodities.

Subsidy operations were handled in several different ways, depending upon the commodity, the particular problems encountered, and other factors. Although some of the subsidy payments were made directly to producers of farm commodities, payments were made in most instances to shippers, processors, dealers, handlers, importers, and others in the distributive chain.

The two Government agencies that handled these food subsidies were the Commodity Credit Corporation of the United States Department of Agriculture and the Defense Supplies Corporation, a wartime subsidiary of the Reconstruction Finance Corporation.

The following tabulations show subsidies paid by these agencies during the World War II period and the natures of the subsidies.

Amount and nature of subsidy payments by CCC, July 1, 1941, to Jan. 31, 1953

Commodity	Cost, July 1, 1941, to Jan. 31, 1953 [1]	Nature of subsidy
Milk and dairy products:		
Dairy production	$1,204,594,190	Direct payments to producers on milk and butterfat to compensate for increased costs of feed and farm labor and to maintain OPA ceiling prices.
Cheddar cheese	67,626,324	Payments to manufacturers to support OPA ceiling prices and increase production; manufacturer made pro rata distribution to milk producers.
Fluid milk	38,126,040	Payments to milk handlers in milk shortage areas in compensation for increased prices paid producers and so to maintain OPA ceiling price.
Total milk and dairy products	1,310,346,554	
Grain and pulses:		
Wheat:		
For feed	[2] 238,421,574	Sale of CCC-owned wheat at parity price for corn for use as feed.
For alcohol	[2] 22,700,000	Sale of surplus wheat at parity price for corn to relieve industrial alcohol shortage.
Total wheat	261,121,574	
Beans, dry edible	12,929,702	Payments to dealers on eligible beans in an amount equal to the difference by which the applicable support price exceeded the processor ceiling price.
Corn:		
For alcohol	4,400,000	Sale of CCC-owned corn at prices based on ethyl alcohol prices to encourage production of industrial alcohol.
Purchase and shelling	3,618,473	To make corn available to manufacturers of essential war materials.
Importation	2,105,373	To relieve importers of import duties.
Ceiling-price adjustment	1,535,680	To equalize OPA ceiling prices on Midwest and eastern seaboard corn to be used for feed.
Total corn	11,659,526	
Millfeed price support	138,118	Payments to millers on millfeed to prevent rise in flour and bread prices.
Barley for feed	6,995	To obtain feed for deficit areas by purchase of malting barley from maltsters and resale at barley feed prices.
Total grain and pulses	285,855,915	
Fruits and vegetables:		
Vegetables for processing	86,497,839	Payments to canners to compensate for increased raw material and production costs and so to maintain OPA ceiling prices.
Fruits for processing	75,070,666	Payments to packers and processors to compensate increased raw material and production costs and so to maintain OPA ceiling prices.
Vegetables, frozen	3,573,872	Payments to freezers to compensate for increased raw material and production costs and so to maintain OPA ceiling prices.
Apple freight, equalization	3,229,719	Payments to shippers to encourage distribution to deficit areas.
Pear freight, equalization	142,237	Payments to shippers to encourage distribution to deficit areas.
Total fruit and vegetables	168,514,333	
Oilseeds and products:		
Soybeans	97,313,881	Subsidy to processors of soybean oil by purchase and resale operation; purchase at basic support price and resale on oil content values.
Peanut butter	19,483,269	To enable OPA to effectuate a reduction in the price of peanut butter.
Vegetable oils and meals	6,903,824	Payments to processors for difference in support price and OPA ceiling to encourage manufacture of meals.
Peanuts	6,190,941	Payments to crushers utilizing inferior grade peanuts in conversion to oil.
Shortening	1,917,901	Payments to manufacturers of shortening to adjust for increase in cost of drums.
Flaxseed	393,394	Payments to producers for difference in support price and OPA ceiling prices.
Total oilseeds and products	132,203,210	

See footnotes at end of table, p. 1648.

Amount and nature of subsidy payments by CCC, July 1, 1941, to Jan. 31, 1953—Continued

Commodity	Cost, July 1, 1941, to Jan. 31, 1953 [1]	Nature of subsidy
Sugar	$115,188,367	Purchase and sale of Puerto Rican and foreign sugar crops to insure supply; payments to processors and refiners of cane and beets to obtain maximum production; also to encourage equitable distribution by payment of transportation costs.
Livestock production and meat:		
Sheep and lamb production	43,225,400	Payments to producers and feeders on a live-weight basis for animals sold for slaughter to encourage feeding to heavier weights.
Beef production	36,877,101	Do.
Pork production	330	Bonus payments to packers who delivered up to 60 percent of total production to CCC under contract.
Total livestock production and meat.	80,102,831	
Beverages:		
Coffee	7,217,528	Payment of excess shipping costs to importers over OPA ceiling prices.
Cocoa	101,938	Do.
Total beverages	7,319,466	
Miscellaneous:		
Hay for dairymen	2,498,942	To pay cooperatives excess costs over sales prices under a program to move hay for dairy herd feeding to drought-stricken areas.
Phosphate fertilizer	89,344	Payments to Agricultural Adjustment Administration for purchase and transportation costs in excess of sales price.
Total miscellaneous	2,588,286	
Grand total	2,102,118,962	

[1] The last of CCC's subsidy programs came to an end on Oct. 31, 1947, when price ceilings on sugar were terminated, although claims, refunds, and adjustments continued to be processed by CCC after that date.
[2] Estimated prior to July 1, 1945.
[3] Estimated.

Amount and nature of subsidy payments by DSC and RFC, July 1, 1943–June 30, 1949

Commodity	Cost, July 1, 1943, to June 30, 1949 [1]	Nature of subsidy
Livestock and meats (pork, beef, veal, lamb, and mutton).	$1,548,295,016	Payments to slaughterers of a fixed amount per pound, live weight, to enable them to absorb a rollback of 10 percent in meat prices ordered by OPA.
Flour	347,823,321	Payments to millers of the amount of difference between market and parity prices for wheat to enable them to meet OPA ceilings on flour.
Butter	181,617,850	Payments to creameries at a flat rate per pound to enable them to absorb a price rollback of a like amount ordered by OPA.
Sugar	25,011,274	Payments to transportation agencies to reduce cost of sugar and to encourage equitable distribution.
Coffee	40,533,924	Payments to importers and distributors to permit increased price to growers without increase in OPA ceilings.
Grand total	2,143,281,385	

[1] All DSC and RFC subsidy programs were ended by Oct. 14, 1946, but claims, refunds, and adjustments continued to be processed by RFC after that date.

The Commodity Credit Corporation engaged in subsidy operations under two authorities. First, on the basis of its charter, particularly those paragraphs which included, as both objects and purposes of the Corporation, the purchasing, selling, or otherwise dealing in commodities and the engaging in any activity relating to the production, handling, and marketing of commodities. Later, it operated under directives from the Office of Economic Stabilization, which under Executive Order 9250, dated October 3, 1942, was authorized to direct the use of subsidies to insure maximum production and distribution, to maintain ceiling prices, or to prevent price increases.

What is referred to as the first subsidy operation of CCC (although it did not pertain to a foodstuff) was undertaken in August 1941. At the request of the War Department, the Corporation sold corn from its stocks direct to processors for the manufacture of industrial alcohol, the price of the corn being based on the price of alcohol produced from it. Later, CCC wheat, sold at the corn parity price, was substituted for corn.

The first subsidy operation directly connected with food began in April 1942, when, in order to increase production of livestock and poultry, CCC sold stocks of its wheat for feed at prices approximately equal to the market price for corn.

Both of these programs, and others undertaken at the request of OPA and under directives from the Board of Economic Warfare and the War Production Board, were based on the authority of the CCC charter. Following the establishment of OES, CCC subsidy operations for the most part came under directives from that office. The wheat-for-feed program was later formalized through an OES directive.

The Defense Supplies Corporation was established as a subsidiary of the RFC in August 1940, for the purpose of stockpiling and purchasing and reselling critical and strategic materials. It entered the food subsidy field in May 1943, when RFC was directed by OES to set up a subsidy program for pork, beef, veal, lamb, mutton, coffee, and butter, all of which had been defined as critical and strategic materials under the Emergency Price Control Act of 1942. (Under this law, subsidies to domestic producers were authorized, as well as purchases and resale by the Government, to obtain maximum necessary production. It was provided, however, that in the case of any commodity defined as strategic or critical material, purchases or resales or subsidies could be made "only" by corporations created or organized pursuant to sec. 5d of the RFC Act.) RFC instructed the Defense Supplies Corporation to take over these subsidy activities. An OES directive pointing out that flour had been defined as "critical and strategic" was received by DSC in November 1943. From time to time during operation of these subsidy programs DSC and RFC received directives from OES changing subsidy rates.

DSC was absorbed by RFC in July 1945, but its subsidy programs were continued, except for sugar, which had been transferred to CCC under an OES directive of December 1, 1942. RFC subsidy programs were terminated as follows: butter, October 31, 1945; coffee and flour, June 30, 1946; and meat subsidies were ended by October 14, 1946.

All CCC subsidy programs, except that for sugar, were discontinued by July 1946, and the sugar program ended in October 1947.

In connection with the termination of subsidies by both RFC and CCC, it is well to point out that claims, refunds, and adjustments continued to be processed by both agencies after the programs ended.

Legal authority for, and limitations upon, subsidies as provided in legislation and Executive orders follows:

Emergency Price Control Act of 1942, section 2 (e), reads as follows:

"Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof: *Provided*, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determina-

tions shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this Act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5d; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use of any such commodity."

To this act was added the following provision by the act of June 30, 1944 (58 Stat. 632, 634):

"After June 30, 1945, neither the Price Administrator nor the Reconstruction Finance Corporation nor any other Government corporation shall make any subsidy payments, or buy any commodities for the purpose of selling them at a loss and thereby subsidizing directly or indirectly the sale of commodities, unless the money required for such subsidies, or sale at a loss, has been appropriated by Congress for such purpose; and appropriations for such purpose are hereby authorized to be made."

As an example of the limitations upon subsidy operations enacted following the adoption of the foregoing provision, section 3 of the act of April 12, 1945 (59 Stat. 50, 51), is as follows:

"SEC. 3. The last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended by the Stabilization Extension Act of 1944, shall not apply to the operations of the Commodity Credit Corporation for the fiscal year ending June 30, 1946: *Provided*, That the making of subsidy payments and the buying of commodities for resale at a loss, by the Commodity Credit Corporation, shall be limited as follows: Obligations for making such payments and absorbing such losses may be incurred and paid by the Commodity Credit Corporation (a) in such amounts as may be necessary (1) to complete operations with respect to 1944 and prior year crop programs, and (2) to fulfill obligations incurred prior to July 1, 1945, with respect to 1945 and prior fiscal year noncrop programs; and (b) in amounts which do not involve subsidy payments or losses in excess of (1) $568 million for operations during the fiscal year ending June 30, 1946, with respect to the dairy production payment program, (2) $120 million for operations during the fiscal year ending June 30, 1946, with respect to other noncrop programs, including the feed-wheat program, and (3) $225 million with respect to the *(A) 1945 crop program operations and (B) 1946 crop program operations relating to sugar, vegetables processed prior to July 1, 1946, and flaxseed harvested prior to July 1, 1946:* *Provided*, That not to exceed 10 per centum of each amount specified in clauses (b) (1), (2), and (3) shall be available interchangeably for the operations described in such clauses but in no case shall the total subsidy payments and losses absorbed under any one of such clauses be increased by more than 10 per centum: *Provided further*, That in carrying out the dairy production payment program, beginning April 1, 1945, the rate of payment per pound of butterfat delivered shall not be less than 25 per centum of the national weighted average rate of payment per one hundred pounds of whole milk delivered."

Title V, paragraph II, of Executive Order 9250, dated October 3, 1942, establishing OES and setting up the Office of Director there, reads in part as follows:

"The Director may direct any Federal department or agency including, but not limited to, the Department of Agriculture (including the Commodity Credit Corporation and the Surplus Marketing Administration), the Department of Commerce, the Reconstruction Finance Corporation, and other corporations organized pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, to use its authority to subsidize and to purchase for resale, if such measures are necessary to insure the maximum necessary production and distribution of any commodity, or to maintain ceiling prices, or to prevent a price rise inconsistent with the purposes of this order."

Mr. WHITTEN. In connection with your statement, Mr. Chairman, it actually was about $4 billion, of which about $2 billion was handled through the Commodity Credit Corporation and $2 billion was paid out by the RFC.

*Act of March 21, 1946 (60 Stat. 57) substituted matter between asterisks for the words "1945 crop program operations."

Mr. ANDERSEN. I am referring, of course, only to that paid out by the CCC, Mr. Whitten.

Mr. WHITTEN. But the other was the same type of expenditure, except that it was handled by a different agency.

A PROSPEROUS AGRICULTURE THROUGH PRICE SUPPORT

Mr. ANDERSEN. That is correct, and, consequently, it strengthens the point I wish to make.

Gentlemen, these people who criticize the price-support program, simply do not know what they are talking about. I think there has been no place in our economy where we have spent $60 million annually to as good advantage for the welfare of the United States as here.

Furthermore, in my opinion, we cannot afford to adopt a sliding scale of price supports.

Mr. Whitten has often stated in this committee that it is not during the periods of scarcity that we need price supports, because the market will automatically take care of the situation, but it is during periods similar to 1932 when the program is really essential. It is in periods of large production that the farmer needs protection through price support.

That is why I cannot agree with those who say that, because the farmer happened to produce in a particular year a great quantity of food, as a penalty he should agree immediately to accept only 75 percent support that particular year. I think it is very good business to support storable commodities at 90 percent at all times. As has been discussed here today, if we get to the point where we need acreage control and quotas we all must agree to put them into effect. As a man who is basically a farmer and has done very little else through his lifetime, I think we should make certain that our basic storables, which, after all, eventually reflect the price on whatever is developed from them, should be protected to the extent of 90 percent of parity.

Mr. WHITTEN. I would like to point out in connection with your statement, Mr. Chairman, that not only has the CCC lost only the relatively small amount of money which you have pointed out, but the farmers are the only group in this country that have been asked to produce to meet emergency conditions and to feed the world, without any assurance or guaranties, and with the danger that any overproduction and surpluses have the effect of setting the price for the whole crop.

We spent $4 billion in consumer subsidies and about $40 billion, including tax amortizations, to get industry to meet our war production needs. And in each instance we gave them firm contracts for what they produced. And further, we are now putting approximately $150 billion into military materiiel as a margin of safety in this world in which we live. Under these circumstances, I do not see how anyone could say it is so terribly shortsighted to have as much as $2 billion worth of food, clothing, and fiber on hand. If we judge it from that standpoint, I cannot see how anyone can attack the present support program.

On the other hand, I cannot see how the Department could have reported favorably on this bill to grant support prices for the Maryland tobacco growers, since they had refused to limit their production as required by law.

We had this terrible situation with potatoes. I am of the view that we cannot support perishables in limitless quantities, and the best we can do is to have a reasonable amount of money available to buy surpluses and make them available under the section 32 funds. A lot of people are disturbed about support of some of our perishables, fearing that it will end up like the potato program.

COMPARISON OF PRICE SUPPORT COSTS WITH SUBSIDIES AND EMERGENCY INVESTMENT

Mr. ANDERSEN. I would like to have placed in the record at this point, in line with this discussion, the statement which was placed in the record on page 42 of section 1 of these hearings. This table brings out in detail the information just given to this subcommittee by Mr. Whitten. If any reasonable-minded person will study those figures he will see that Federal expenditures for business reconversion payments, including tax amortization, amounted to $40,787,864,000, not including subsidies to maritime organizations amounting to $106 million and subsidies to airlines amounting to $218,716,000. That is a total for those three items amounting to better than $41 billion. I think it is with poor grace that any person connected with business establishments should object to a total expenditure over the years of $1,070 million to keep a prosperous agriculture in this great Nation of ours.

(The table referred to is as follows:)

1. Losses under price-support program:	
Basics (profit)	—$13,011,290
Nonbasics	1,077,628,515
Total (net)	[1] 1,064,617,225
2. Federal expenditures for—	
Consumer subsidies (losses)	[2] 4,204,268,768
Business reconversion payments (including tax amortization)	[3] 40,787,864,000
Subsidies to maritime organizations	[4] 106,000,000
Subsidies to airlines	[5] 218,716,000
Total	45,316,848,768
3. Federal investment in—	
Military materiel	[6] 129,000,000,000
Food and fiber (CCC inventories)	[7] 1,118,316,908

[1] Since beginning of program in 1933.
[2] From July 1941 through June 1949.
[3] Since end of World War II (V-J Day).
[4] From January 1947 through Mar. 4, 1953.
[5] Since 1951; prior year figures not available.
[6] Deliveries of military equipment and construction since Korea totaled $48 billion as of Dec. 31, 1952. There are still in the pipeline $81 billion of goods on order for which funds are available. (Source: 8th Quarterly Report of Director of Defense Mobilization.)
[7] As of Dec. 31, 1952 (values of commodities under price support loan not included).

RECOVERABLE ASSETS OF THE COMMODITY CREDIT CORPORATION

Mr. GORDON. I might say that the public is prone to look at the cost of the Commodity Credit Corporation in terms of expenditures, when, really, they should look on these expenditures as investments in recoverable assets, because most of them are recoverable, and I think if they looked at it from that standpoint, they would have a different picture of the thing.

METHODS FOR DISPOSING OF CCC BUTTER SURPLUSES

Mr. LAIRD. In these recoverable assets you speak of, it seems to me that the Commodity Credit Corporation now has authority to make certain transfers of some of the assets you have on hand. I wonder if there is as much being done as should be done with the butter that has been purchased by the Commodity Credit Corporation?

I refer to the fact that I was recently home and I checked on the Federal hospitals in my State and found they were serving oleomargarine. Taxpayers feel they are buying butter through the Commodity Credit Corporation. Is there the maximum effort being placed on transfer to these federally supported institutions?

Mr. GORDON. Yes, some 70 million pounds of that butter is being transferred to the so-called direct distribution program. It will not all go for school lunches; some of it will go to welfare institutions, as well as school lunches. That is approximately half of the total on hand. In addition, we are negotiating now with the Army to see if they will not increase their purchase of butter. In other words, they have been dividing their purchase between butter and oleomargarine. We do not want them to cut down any on their purchase of butter in the market at normal prices, but we are offering them butter at a competitive price with margarine, against the purchase they would normally make on margarine, and we hope in that way to step up very substantially the total use of butter by the Army.

Mr. ANDERSEN. I think that is a very good policy, Mr. Gordon.

Mr. LAIRD. In January the Army purchased 1 million pounds of butter and bought 3 million pounds of butter substitutes.

Mr. GORDON. We are offering them up to 50 million pounds of butter on that basis.

Mr. LAIRD. If you will notice the purchases in the month of March, which figures I received today, you find that the ratio is about reversed. Which ratio are you going to use?

Mr. GORDON. We understood they were using about 34 million pounds of margarine.

Mr. LAIRD. That was last year?

Mr. GORDON. Yes, sir. We were offering them up to 50 million pounds of butter at a price competitive with margarine, and we are going to push that as hard as we can. The butter industry asked us to throw the total requirements on a competitive basis, but we could not see that for the simple reason that you would be losing your normal recovery on half of their total requirements and would not be gaining any so far as we could see, except getting it into use and to have a use made of it by our armed services. We felt we would be interfering with normal trade if we did that, and we insisted that the Army continue their normal purchase of butter and then make as additional purchases on as competitive a basis as we could possibly sell to them to replace margarine. We feel that is the soundest basis to follow.

Mr. HUNTER. What are you going to do with the margarine?

Mr. GORDON. We have plenty of cotton oil but that is storeable for a considerable longer period of time.

Mr. ANDERSEN. There is another thing about that, Mr. Gordon. You can shut off production of margarine, but you cannot turn off the dairy cow.

Mr. HUNTER. This cottonseed oil is piling up and it is not as storeable as some people might think.

Mr. GORDON. We have had 2 years' experience with it. It stores very well for at least 2 years.

Mr. HUNTER. It is being acquired at 90 percent of parity and it is really piling up.

Mr. GORDON. It really is; I have been looking at the figures.

Mr. HUNTER. I might ask at this point just how much cottonseed oil you have on hand at the present time.

Mr. GORDON. 953 million pounds.

PRICE SUPPORT PROGRAM BENEFITS DAIRY PRODUCERS

Mr. ANDERSEN. How much loss do you expect to take on the butter-buying program this year? Have you an estimate on that, Mr. Richards?

Mr. RICHARDS. Mr. Chairman, in the 2 years, 1949 and 1950, when we were buying large quantities of butter, the total loss on butter and nonfat solids was $132 million. I think it is purely a guess as to how much we might lose this year, but I would say it might run as much as or more than $100 million for the 2 marketing years—the year ending March 31, 1953, and the following year.

Mr. ANDERSEN. If we did not invest this $100 million, what would happen to our dairy industry in the United States? How much would the gross income drop in a 12-month period to the dairy farmers of the United States?

Mr. RICHARDS. It would be far greater than $100 million. The dairy price-support program benefits dairy producers generally throughout the United States. Our experience indicates that purchases of the principal dairy products, which utilize the major part of the manufacturing milk supply, effectively support prices of milk in all uses. The total procurement cost of dairy products purchased under the support program from January 1949 through March 1953, less the cost of dairy products sold back into domestic-trade channels during this period, was about $310 million. This is the net cost of dairy products removed from commercial-trade channels during the period. In appraising the benefits of the program, it should be noted that support purchases prevented sharp decreases in market prices during periods of seasonally heavy production, and resulted in stabilization of markets to the benefit of both producers and consumers.

Mr. ANDERSEN. Do you know, Mr. Marshall, what the total annual value of all dairy products would be? Would it be as much as $7 or $8 billion?

Mr. MARSHALL. I am not able to say offhand. It is over 5 billion.

Mr. ANDERSEN. Can you place a figure in the record on this, Mr. Richards?

Mr. RICHARDS. Yes. What you are asking for is the income from dairy products?

Mr. ANDERSEN. Yes.

(The information requested follows:)

TOTAL FARM INCOME FROM DAIRY PRODUCTS

Gross farm income from dairy products in the United States in 1952 was $5,281,900,000. This includes cash receipts from farm marketings of milk and cream plus the value of milk used for farm consumption and farm butter churned.

Mr. ANDERSEN. I want to commend the Secretary for the action he took with reference to the extension of the 90 percent price support on butter. What he is doing is to put a temporary support under the entire dairy industry. And the $100 million which it may cost does not represent much over 3 percent of the total annual income from dairy products.

We have seen the price of beef go down 20 percent, almost overnight, and the same thing could happen to the dairy industry unless we exercise a little common sense, as the Secretary has done, and provide some support. I think it is just good business to take this action, because it will save the farmers of the country a half billion dollars in income, and will return to the Treasury at least 20 or 25 percent in the form of income taxes.

Mr. GORDON. Mr. Beach has just pointed out that the total dairy purchases, covering butter, cheese, and dry milk, will amount to somewhere between 3 and 4 percent of the total milk production. That ties in with what you have just been saying.

VOLUME OF EACH COMMODITY HANDLED, NET PROFIT OR LOSS, AND QUANTITY

Mr. WHITTEN. I would like to ask what has been the history of your experience in the Commodity Credit Corporation with respect to volume of each commodity handled, the net profit or loss, and the quantity now on hand.

(The information requested follows:)

COMMODITY CREDIT CORPORATION

Volume of price-support operations and realized gains or losses 1933 to Jan. 31, 1953, and estimated inventory, Apr. 13, 1953

[Thousands of dollars]

Commodity	1933 through Jan. 31, 1953			Estimated inventory [3] Apr. 13, 1953
	Volume		Realized gain or loss [1] [2]	
	Loans made	Purchases [1]		
Storable:				
Barley	$148,278	$15,375	[2] $10,102	$148
Beans, dry edible	127,599	16,312	[2] 32,278	13,005
Castor beans		298	[2] 171	
Corn	2,124,710	183,048	[2] 56,890	405,771
Cotton, American-Egyptian		65,528	[2] 244	
Cotton, Puerto Rican		800	[2] 130	
Cotton, Upland	3,836,880	296,288	238,105	32,375
Cottonseed and products	442	176,742	15,915	216,711
Flax, fiber	1,237	3	397	
Flaxseed and linseed oil	73,139	309,729	[2] 66,104	55,346
Hemp and milkweed floss		46,169	[2] 21,459	
Naval stores	96,160		[2] 1,370	12,223
Oats	63,231	4,088	[2] 1,342	4,592
Olive oil	1,412			628
Peanuts	308,272	395,918	[2] 91,667	11,617
Peas, dry edible	2,704	2,654	[2] 889	
Rice	31,816	18,018	[2] 1,437	
Rye	10,974	823	[2] 159	58
Seeds	52,418	13,556	[2] 1,444	33,838
Sorghums, grain	241,797	12,954	[2] 35,615	2
Soybeans	152,593	49,101	4,377	3
Sugar		54,426	[2] 16,493	
Tobacco	784,477	205,594	4,396	1,206
Tung oil	214	2,330	[2] 79	
Wheat	4,602,358	172,916	[2] 84,110	278,554
Wool and mohair	68,500	948,294	[2] 92,140	6,201
Total, storable	12,729,211	2,990,964	[2] 251,727	1,072,278
Nonstorable:				
Butter	32,156	175,162	[2] 48,276	84,434
Cheese		46,836	[2] 25,021	31,315
Eggs		331,216	[2] 189,712	
Fruit, dried	17,537	65,378	[2] 14,883	
Grapefruit juice		4,892	[2] 1,732	
Honey [4]	1,057	5,041	[2] 873	
Hops [5]	1,388		[2] 954	
Milk, dried		120,662	[2] 58,473	30,460
Pecans	371		[2] 4	
Potatoes, Irish	165,570	480,433	[2] 478,111	
Sweetpotatoes	150	1,250	[2] 135	
Turkeys		6,404	11	
Vegetables, canned		671	12	
Total, nonstorable	218,229	1,238,945	[2] 818,151	146,209
Grand total	12,947,440	4,229,909	[2] 1,069,878	1,218,487

[1] Allocation of purchases, losses and gains to the price-support program for the period prior to fiscal year 1947 was made on the basis of an analysis completed in April 1949. Since accounting records maintained prior to July 1, 1946, did not provide for segregation between price support and supply programs, it was necessary to analyze program results in detail and in some cases make an estimate of the distribution of the total operating result as shown by the accounting records. This analysis was based on all known factors concerning the operations with respect to each commodity.

[2] Denotes loss.

[3] Reflects operating data taken from various sources and is, in part, based on preliminary estimates. The official inventory of the Corporation, as taken from its accounting records is that contained in the monthly report of financial condition and operations.

[4] Honey which has been properly ripened and packaged will keep for a year or more, but in areas adjacent to the Great Lakes and others in which sugar-tolerant yeast spores are prevalent, processing within a year is usually necessary to prevent fermentation.

[5] Hops can be stored under proper conditions of temperature and humidity for from 1 to 2 years without serious impairment of quality.

INVESTIGATION OF COMMODITY CREDIT CORPORATION

Mr. WHITTEN. Before we go further, I want to call attention to the fact that this subcommittee conducted an investigation of the Commodity Credit Corporation during the past 18 months. In fact, this committee was the first to make such an investigation, and we feel that most of the developments that have been carried in the press have come from the reports of our investigators.

I have had prepared a summary of the findings in the various reports and developments and improvements which resulted from the investigation. I would like to ask that it be incorporated in the record at this point for any further action which the subcommittee may wish to take.

Mr. ANDERSEN. Without objection, it will be made a part of the record.

(The statement referred to follows:)

INVESTIGATION OF COMMODITY CREDIT CORPORATION

The following investigation reports on the operations of the Commodity Credit Corporation and the Production and Marketing Administration were received by the committee:

1. *January 15, 1952.*—Storage policy, organization problems, administration of storage programs, favoritism and gratuities, conversion and fraud cases.
2. *March 4, 1952.*—Followup on matters covered in first report; data on additional conversion cases.
3. *April 22, 1952.*—Inquiry into operations of New York commodity office.
4. *June 5, 1952.*—Inquiry into operations of Chicago commodity office.
5. *June 11, 1952.*—Review of 1950 blue-lupine transaction between CCC and Cotton Producers Association of Atlanta, Ga.
6. *November 12, 1952.*—Inquiry into operations of San Francisco and Portland, Oreg. commodity offices.
7. *November 20, 1952.*—Changes in cotton loan program.

Subcommittee hearings were held during the latter part of January 1952 relative to matters contained in the January 15 investigation report. A subcommittee report outlining the findings of these hearings was released on February 4, 1952. An additional report of the subcommittee was released on March 17, 1952, in connection with the supplemental data contained in the second report of the investigators dated March 4, 1952. A brief résumé of the pertinent findings of these two reports and subsequent developments on each subject are discussed in the following paragraphs.

Storage policy.—It was brought to the subcommittee's attention that CCC was operating under an unrealistic and wasteful policy requiring storage of its commodities in commercial warehouses despite the existence of vacant Government storage bins and surplus military installations which could have been converted for storage purposes. This policy brought into existence many warehouse concerns with no previous experience, inadequate facilities, and little or no financial backing. The Arkadelphia, Ark., case, where CCC lost $80,000 worth of wheat due to improper handling, poor facilities, and inadequate financial backing, is an example of this condition. This policy also encouraged marginal operators to lease surplus buildings from the Government and contract for storage of CCC commodities at exorbitant profits. The Camp Crowder case, where the Government paid $965,000 to 2 commercial concerns for storage in buildings leased from the Government for $51,968, is typical of such an arrangement. Another costly result of this policy was failure to utilize existing Government storage facilities while paying excessive storage rates to private concerns, many of which got into the field for the sole purpose of storing CCC commodities. Figures presented to the subcommittee indicate that an average of 42 percent of Government bins had been vacant each year since their establishment in the late 1940's, and in some areas such bins had never been used.

Furthermore, it appears that this policy did serious damage to the reputation of the entire warehousing industry. Evidence received indicates that a large

proportion of losses through conversion and other irregularities occurred with marginal operators brought into the storage business during the critical storage period of 1948 and 1949.

Organization problems.—It was apparent from investigation reports and hearings that several organization changes were needed. The Office of Audit and the Compliance and Investigation Unit were not properly located in the organization to do their jobs effectively. Furthermore, there was no coordination between the United States Warehouse Division, which is responsible for inspection of bonded United States warehouses, and the warehousing activity of CCC—even though both programs were under the same organization unit in PMA. Information presented to the subcommittee indicates that the Tanner case, where CCC lost some $872,000 due to conversion of beans, was due to the lack of exchange of information between these two activities.

In its February 4 report, the subcommittee recommended that the Office of Audit and the Compliance and Investigation Unit be made an independent unit responsible directly to the head of CCC. A report from the Secretary of Agriculture dated June 4, 1952, indicates that this change has been made and that the staffs of both Offices have been enlarged to permit more frequent audits and more complete investigations of suspected conversion cases. This same report also states that action has been taken to coordinate the warehousing activities of PMA to correct the deficiencies in their operating practices.

Administration of storage programs.—Information furnished the subcommittee indicates the existence of many deficiencies in administration of the storage programs. It was apparent that inadequate attention to financial responsibility of contractors, failure to require adequate performance bonds, lack of followup on loading-out orders, inadequate inspection procedures, and laxness in prosecuting violators, all contributed materially to the many instances of conversion and mishandling of CCC commodities.

In its February 4 report, the subcommittee urged that immediate steps be taken to correct these deficiencies. Specifically the committee recommended that:

(*a*) A more rigid and frequent inspection of storage facilities and commodities be instituted and that closer scrutiny be given to the financial position of private warehouses and storage elevators handling CCC commodities;

(*b*) A system be established to assure rigid followup on loading-out orders;

(*c*) A more vigorous program for prosecuting criminal as well as civil violations be adopted, including referral of all cases involving possible fraud or bribery to the Department of Justice for investigation and action.

On June 4, 1952, the Secretary reported on action taken by the Department on these matters. He indicated that the Department had established new standards for evaluating the warehouseman's status prior to contracting for storage, was now requiring a commercial credit rating report in addition to the warehouseman's own personal statement, and had strengthened its bonding requirements materially. He also reported that a close control over loading-out orders had been established to require the director of each commodity office to establish records showing current status of all such orders and to institute immediate investigation where shipments are not made within the period specified on the loading-out order. His report further stated that new procedures had been instituted, requiring a thorough inspection of facilities prior to signing of storage contracts, as well as an inspection of nonperishable commodities semiannually, and an inspection of perishables at least once each quarter. In connection with the matter of tightening up on prosecution of violators, he stated that the agreement between the Solicitor of Agriculture and the Department of Justice, permitting screening by the Solicitor, had been terminated on May 13, 1952, and that all cases involving fraud or bribery were being referred to the Department of Justice for immediate action.

Favoritism and gratuities.—Evidence presented to the subcommittee disclosed a number of cases where gratuities had been accepted by PMA employees in return for favoritism and preferential treatment. Information received also indicated considerable laxness in taking action against those found guilty of such practices. For instance, two individuals in the Kansas City office were still in the employ of PMA at the time of the January hearings—several years after the offenses were discovered—despite positive evidence of receipt of gratuities in exchange for official favoritism. Also, no disciplinary action had been taken against 15 employees in the Dallas commodity office who had accepted gratuities from firms doing business with that office as much as 1 year after the discovery. In another instance, no criminal action had been taken against an official of the Minneapolis commodity office who admitted accepting numerous gratuities in

exchange for special treatment granted officials of a Wisconsin storage concern with whom he had had a close personal relationship.

The subcommittee gave this matter special attention, because it was apparent that the internal deficiencies which made such conditions possible also contributed substantially to the many conversions and other losses to CCC. In its report of February 4 the subcommittee commented upon the failure of the Department to tighten up on regulations dealing with this subject, and was critical of the reluctance of CCC officials to take firm action in these cases.

Latest reports from the Department and committee investigators indicate that the committee recommendations have been followed on this matter. A recent visit to the Dallas PMA commodity office by the staff of the committee discloses that an entire new top staff has been appointed at that office, that a reorganization is in process to provide better administrative controls, that a very tight control has been established over loading-out orders, that a rigid system has been instituted for inspection of facilities prior to and during storage of CCC commodities, and that special steps have been taken to eliminate favoritism and gratuities.

Conversion and fraud cases.—The first cases of conversion and fraud were discovered in 1949 in the north-central area, where 13 elevators converted some $150,000 in flaxseed to their own use. In April 1950 the conversion of pinto beans valued at $872,000 by Tanner, Inc., in Colorado and New Mexico was disclosed. Other huge conversions were soon discovered in Illinois, Georgia, and Colorado. In view of these developments, the Office of Audit initiated an audit in the Dallas area in July 1951, and shortages were found in better than 37 percent of the elevators visited. Numerous additional cases soon were discovered in California, Texas, New Mexico, and Oklahoma. Subsequent reports by committee investigators have included facts relative to many additional cases which have come to light in recent months.

The latest report received by the subcommittee on this subject (May 1952) states that all cases involving shortages are either under investigation or have been referred to the Justice Department for court action.

The third and fourth reports received from the committee investigators dated April 22, and June 5, 1952, covered inquiries into the operations of the New York and Chicago Commodity Offices. These reports disclose the following questionable situations:

(1) Over a period of approximately 6 years (1946–52), $1,650,827 in service fees were paid to 6 forwarding agents representing CCC in the processing of export grain shipments at 6 eastern ports: New York City, Albany, Boston, Portland, Philadelphia, and Baltimore. It further appears that none of the agreements with these agents were made on a competitive basis. Information developed during the investigation indicates that forwarding agents are employed by PMA only on the eastern seaboard, and that commercial firms with large scale operations similar to PMA do not use such agents. The files disclose that this has been a subject of considerable discussion within PMA and that most officials of the New York office believe they could take over this function with no increase in personnel and facilities. In this connection, the investigation discloses that forwarding agents rely upon the Department of Agriculture personnel for advice and assistance in connection with every phase of the service they perform.

(2) The Chicago, Minneapolis, and Kansas City City commodity offices have paid approximately $411,500 in commissions to cash grain merchants for sales made through them during the 12 months ended April 30, 1952. It appears that the practice of dealing through such agents is based upon the Secretary's determination that private trade facilities should be used wherever possible in preference to direct handling by the Government. According to the investigation report, officials of the Chicago office were of the opinion that the services of these commission merchants could be dispensed with and that their function could be handled by PMA more effectively and with comparatively little or no increase in personnel. Such officials also believed that better prices could be obtained by PMA personnel in some cases than those obtained by commission merchants.

(3) In several instances, potential losses occurred at the New York commodity office as a result of poor handling of beans in the New York area. In one case, delay in disposing of red kidney beans damaged by fire at Horseheads, N. Y., on August 16, 1951, resulted in the loss of 16,899 hundred-weight bags of beans through deterioration, even though an offer for sale as feed or fertilizer had been received. In another case, $6,954,348 was lost on the sale of beans due to the

failure of the New York office to authorize disposal of these beans at the highest bid prices received in the fall of 1949.

(4) During July and August of 1949 the Chicago commodity office entered into seven contracts with the Indiana Grain Cooperative Corporated in Indianapolis, Ind., for the purchase of a total of $920,000 bushels of No. 2 Soft Red Winter Wheat for export. These contracts were made at a price ranging from 10¼ to 11¼ cents above prices being paid other vendors at the same time. No information could be obtained by committee investigators to show how the higher prices were calculated and officials of the Chicago office were unable to explain the large differential. It appears that the Indiana Grain Co-op benefited by 4 cents a bushel over other venders, a total of $36,800 on the entire purchase. From the facts available, it appears that this company received unwarranted preferential treatment.

(5) Substantial commodity losses resulting from holding inventories beyond their safe storage life and other improper warehousing practices were discovered in the Chicago area. During the 39 weeks ending on March 27, 1949, 89 percent of all corn sold by the Chicago office was sold below the formula price because it was either out of condition or in danger of going out of condition. Also large quantities of commodities in storage in the Chicago area had passed their safe storage life. Similar conditions were found to exist in the New York area.

On June 30, 1952, the Secretary reported that the contract with the forwarding agent handling CCC activities at the New York and Albany ports had been discontinued on June 15, 1952, and that he was considering the possibility of discontinuing such arrangements at the other four locations. He also indicated that he was giving careful consideration to the possibility of discontinuing the use of commission merchants in the Chicago area.

The fifth report, dated June 11, 1952, presented information concerning the 1950 blue-lupine transaction between CCC and the Cotton Producers Association, of Atlanta, Ga. A summary of the facts disclosed by this report follows:

1. On February 1, 1951, CPA sold 5,904,100 pounds of 1950 crop blue-lupine to CCC for $266,865.32 pursuant to the 1950 seed price support program.

2. Regulations require that lupine be bagged at time of delivery to CCC. However, in this case the lupine was accepted by PMA and stored in bulk. With full knowledge of everyone in PMA, warehouse receipts were prepared to show that the commodity was stored in new bags.

3. Regulations required that certificates of germination and purity tests, based on samples drawn after September 1, 1950, accompany settlement papers, and that payment be based on quality reflected on these certificates. While certificates were presented as required, investigation disclosed that the tests were performed on samples drawn more than a year earlier—May and June 1950. While these certificates indicated a germination of 90 percent or better, the State PMA office had its own reports indicating germination to be only 80 to 85 percent. It was also disclosed that this practice was followed by innumerable other lupine processors in the area, and was condoned by local PMA officials who stated that they had the sanction of Washington PMA officials.

4. Tests run on this lupine while in storage in June 1951 showed the entire amount to be worthless as seed, due to low germination. Irrespective of this, a Washington PMA representative favored paying storage rates rather than selling it for fertilizer.

5. During the period February 1951 through April 1952, storage charges of $26,236.26 were paid on this lupine. Monthly charges of $1,613.73 were still being paid at the time of the investigation.

6. As of May 1, 1952, 525,000 pounds had been sold as fertilizer at $30 per ton, a loss of $60 per ton.

In view of the many conflicting statements from persons involved in this matter, the investigators were requested to recheck certain points in an effort to determine responsibility. In reporting on this additional review, the investigators included the following statement from Mr. Elmer Kruse of PMA:

"Our investigator's report on this matter covers some 165 pages and is accompanied by 30 exhibits. There are a number of unresolved conflicts in the statements of persons who were interviewed by the investigators. Accordingly, we believe your purpose will be better served by supplying you with a copy of the investigation report. * * *

"We have reached two important conclusions from the review of this report, as follows:

> "1. Germination certificates were improperly issued by the Southeastern Seed Laboratory, Atlanta, Ga., and that such certificates were improperly used to obtain a payment from CCC.

"2. The investigation report contains matters which should be considered by the Solicitor of this Department.

"This office is taking steps to see that purity and germination certificates issued by the Southeastern Seed Laboratory of Atlanta, Ga., are not used in the future in connection with the price-support programs of CCC. We will also refer our file on the case to the Solicitor of the Department of Agriculture. If he finds that the report contains evidence of fraudulent acts, he will refer the entire matter to the Department of Justice."

The sixth report, dated November 12, 1952, presents information concerning the operations of the San Francisco and Portland Commodity Offices. The major points developed by this report are:

1. The criminal-fraud trial of the California Rice Growers Association was set for November 17, 1952, after a motion to dismiss was denied on July 22,1952.

2. Based on reports of the Office of Audit at San Francisco, it appears that CCC lost an additional $428,800 because of insistence of the Rice Growers Association that it sell 1949 rice to Army in processed rather than rough form.

3. Evidence of possible favoritism by California State and San Joaquin County PMA Committees was disclosed. In August 1949, Compliance and Investigation Unit submitted a report indicating that two individuals—R. C. Zuckerman and Walter E. McGillvray—had an interest in acreage overplanted with potatoes after goals for acreage had been announced. In May 1949, they deeded the property to their children in an effort to become eligible for price support on other potatoes which they owned. In September 1949, the regional attorney advised the State PMA office that these individuals were ineligible. In September 1949, the State committee determined them eligible, and payments totaling $111,190.72 were made. In June 1950, the case was referred to the Assistant Administrator for Production in Washington.

In September 1952, the Solicitor advised that his opinion has always been that they were not eligible.

4. Information included relative to commodity losses due to poor handling and lack of use of Government storage bins indicates that conditions on the west coast are similar to those found in other parts of the country as disclosed by earlier reports.

The last investigation report received dated November 20, 1952, covers certain changes adopted late in 1951 to decentralize the cotton-loan program for the 1952 crop. The findings are:

1. Under the new plan, loans can be obtained directly from the county PMA office, whereas formerly they could be obtained only from a bank or through the PMA Commodity Office. Further, loans can now be redeemed at either the county PMA office or a local bank, instead of at the PMA Commodity Office or Federal Reserve depository under the former arrangement.

2. CCC has had in force since February 1, 1949, a fidelity bond covering PMA employees at commodity, State, and county offices. Coverage provides reimbursement up to $100,000 per employee, with a limitation of $100,000 per loss if two or more employees are involved. A 3-year premium is $17,426.50.

3. During the fiscal year 1952, $182,250 was spent for safe equipment for PMA offices. It was estimated that an additional $226,100 will be spent for this purpose in 1953, making total of $408,000. This covers 2,409 fire-resistant steel file cabinets with built-in combination locks.

4. Apparently no additional personnel has been employed in Tennessee, Mississippi, and Arkansas as the result of this change. Since the loan volume as of date of the report had been so small, it was difficult to determine final effect on personnel needs. In view of the fact that administrative expenses are not allocated by commodity, and since very little cotton had been placed under loan at time of the investigation, comparative costs of the new and old procedures could not be obtained.

Mr. ANDERSEN. Mr. Marshall, do you have any questions?

Mr. MARSHALL. Yes, Mr. Chairman.

COMMODITY CREDIT CORPORATION BUTTER INVENTORY

Mr. Gordon, how do the present stocks of Commodity Credit holdings in butter compare with the peak stock held by the Commodity Credit Corporation?

Mr. GORDON. It is lower, is it not?

Mr. RICHARDS. The stocks as of April 13, 1953, were 122 million pounds. And at the peak, I think in August of 1950, we had about 191 million pounds, total stock.

Mr. ANDERSEN. The stock of today is how much?

Mr. RICHARDS. 122 million pounds.

Mr. ANDERSEN. In other words, we have had considerably more under storage than we have today?

Mr. RICHARDS. Yes.

Mr. ANDERSEN. And yet there are a lot of people who seem to be worried about it.

Mr. RICHARDS. Of course, one of the things that concerns us, Mr. Andersen, is the fact that we have bought a lot of this butter before we got into the flush season; the purchases may be larger from now on.

Mr. ANDERSEN. There is no question but what you will have a higher amount in storage.

Mr. RICHARDS. Yes.

INCREASE IN MILK PRODUCTION

Mr. MARSHALL. Can you remember any previous year when the production of milk has been so abnormally high as it has been in the past few months?

Mr. RICHARDS. No; it has been quite unusual. As you know, since August and September of 1952 production has been jumping up, and in the last few months it has been phenomenal, with a 7 or 8 percent increase in production over earlier years. And at the present time we are running, converting the monthly production into an annual rate, we are running at an annual rate of somewhere around 123 billion pounds, which is something we have never before reached.

Mr. MARSHALL. I wonder if you can supply for the record the number of times in the last 30 years we have had such an abnormally large increase in the flow of milk during winter?

Mr. RICHARDS. Yes, we can get that up for you.

Mr. MARSHALL. I believe that it would be well to put that in the record.

Mr. ANDERSEN. Will you supply that for the record?

Mr. RICHARDS. Yes.

(The information requested follows.)

RECENT INCREASE IN MILK PRODUCTION

The annual rate of milk production declined to a low point of about 110 billion pounds last July, because of summer drought conditions. During the last half of the year, milk output strengthened as a result of increasing cow numbers, liberal rates of concentrate feeding, good quality roughage, and favorable weather. By December the annual rate of milk production had increased to 123 billion pounds, and remained at about that level during the first quarter of 1953 as weather continued mild during the winter months. The 12-percent increase in the annual rate of milk production between July and December 1952 has been equaled in a comparable period only once before, in 1935. Production in that year increased about 12 percent between March and August, as cows went onto extremely lush pastures following the severe drought of 1934.

STORAGE STOCKS OF BUTTER

Mr. MARSHALL. Can you supply for the record a statement showing the storage stocks of butter, showing what they were on April 1 and a year ago, and also a breakdown between the commercial and Government holdings?

Mr. RICHARDS. Yes, we can get that up for you.

Mr. MARSHALL. I think it would be well to have that in the record, Mr. Chairman.

Mr. ANDERSEN. Yes.

(The information requested follows.)

STORAGE STOCKS OF BUTTER

On March 31, 1952, cold-storage holdings of butter totaled 6.5 million pounds. Of this quantity, 1.7 million pounds were held by the Government (probably military, since CCC had no stocks), and 4.8 million pounds were commercial holdings. On March 31, 1953, cold-storage holdings of butter totaled 129.3 million pounds. It is estimated that commercial holdings on that date were no greater than a year earlier, taking into account offerings to CCC in late March. The increase in total holdings over a year earlier therefore represented Government stocks.

Mr. MARSHALL. Do you think it would be normal to expect that we will have next year anything like the abnormal flow of milk we have had during this winter?

Mr. RICHARDS. It certainly would not be normal; it would be very abnormal.

Mr. MARSHALL. Would it not be just as likely to happen that we could have the reverse, and instead of having an unusual supply of butter we might have a tighter supply next year, instead of a surplus?

Mr. RICHARDS. That certainly could happen.

Mr. MARSHALL. And it would be just as logical. Would you say that the main reason for the accumulation of butter, which the Commodity Credit Corporation holds is a result of the abnormally high production of butter, or due to the decrease in the consumption of butter?

I am speaking of the total consumption.

Mr. RICHARDS. Mr. Marshall, I think the big change from the previous year, when we bought no butter, is the production situation. I think—I am not sure about it—but I think total butter consumption has been down maybe just slightly, but the big change undoubtedly is the production, increase in milk production.

AVAILABILITY OF FREEZER SPACE

Mr. MARSHALL. Do you know of any lack of freezer space for storing butter?

Mr. RICHARDS. Well, we had a little difficulty early in the winter in local areas, in one area around St. Paul, but that has been pretty well cleared up.

Mr. MARSHALL. No overall shortage?

Mr. RICHARDS. No overall shortage.

Mr. MARSHALL. We have had some complaints in our office that freezer space was not being used that was available. I think that was mostly along the east coast, more so than out our way.

Mr. RICHARDS. Yes.

Mr. ANDERSEN. You will recall, Mr. Marshall, that we found plenty of such space not occupied on our recent trip to Philadelphia.

Mr. MARSHALL. Yes; I had that in mind.

Mr. Gordon. There has been some complaint in New York, but there is no overall shortage at all.

Mr. MARSHALL. Another thing I am interested in is this: Is there any danger of this butter actually spoiling?

Mr. RICHARDS. Mr. Marshall, it is stored at freezing temperature at zero to —10° F. In the previous periods, when we had large stocks, in 1949 and 1950, we carried butter as long as 2 years. Of course, butter is a perishable commodity and I certainly would not want to say that normally we should carry it longer than a year.

Mr. MARSHALL. I appreciate that, but I was interested in finding out how much of this butter actually did spoil and was unfit for human consumption.

Mr. RICHARDS. None.

Mr. MARSHALL. None unfit for human consumption?

Mr. RICHARDS. No.

Mr. MARSHALL. You did sell some butter that was waste, which I understand, was a matter of packaging?

Mr. RICHARDS. We buy butter in large blocks, under the price-support program, in 60-pound cubes, and when we supply it for school-lunch programs, it has to be put up in 1-pound prints, and putting up the butter in that form results in some waste—that is what I think you are speaking of—but it did not amount to anything. During the period 1949–51, the Department printed and repackaged about 19.2 million pounds of butter purchased under the price-support program, for distribution to school-lunch programs and other section 32 outlets. Such printing and repackaging operations normally involve some waste of butter as a result of cleaning equipment and the handling involved. About 5,400 pounds of butter were disposed of as salvage in connection with that section 32 repackaging operation. This represents about one thirty-fifth of 1 percent of the total quantity repackaged, and compares favorably with trade experience in such operations. All repackaging was carried on under the continuous supervision of USDA dairy inspectors. The Department recently has undertaken additional repackaging of butter for section 32 distribution but information on salvage quantities will not be complete until the repackaging operations are concluded.

Mr. MARSHALL. That was what I had in mind. In other words, there was no large amount of butter that went into soap, and such as did go to soap was the result of waste in the packaging, and such a situation as that would result, whether it was a commercial operation, or whether it was the Government.

Mr. RICHARDS. Yes.

Mr. MARSHALL. And not because the Government had anything to do with it.

Mr. RICHARDS. No.

Mr. MARSHALL. What happened to the price of butter after the peak stocks had piled up back in 1950, I believe it was.

Mr. RICHARDS. Except for small increases, Mr. Marshall, we stopped buying butter on price support. We began to decrease buying about the first of August, and it was no longer offered to us after about the middle of September. During October the price went

up slightly, and we sold small quantities of butter back to the trade, but in November and December prices went up sharply, and we sold, we liquidated most of our stocks within the period of practically 2 months.

DISPOSITION OF BUTTER STOCKS

Mr. MARSHALL. You say a certain percentage of the butter was sold back to the trade?

Mr. RICHARDS. Yes; a large percentage of it.

Mr. MARSHALL. Do you have figures available of the amount of butter that was brought back by the trade?

Mr. RICHARDS. Yes; they are available.

Mr. MARSHALL. I think it would be well to have them included in the record.

Mr. ANDERSEN. Will you supply them for the record at this point, please?

Mr. RICHARDS. Yes.

(The information requested follows:)

DISPOSITION OF BUTTER STOCKS

The total disposition of butter stocks during the period January 1949 through December 1952 is shown in the table below. During the period January 1949 through March 1951, CCC purchased 242.2 million pounds of butter. During this same period, CCC sold in domestic trade channels 142.4 million pounds of butter, or 58.8 percent of the quantity purchased. Most of these commercial sales were during the fall and winter months of 1950–51, with 127.9 million pounds being sold between September 1950 and February 1951.

USDA dispositions of price support dairy products, Jan. 1, 1949–Dec. 31, 1952
(based on contracts executed)

[Millions of pounds]

Product and type of disposition	January–December 1949	January–December 1950	January–December 1951	January–December 1952	Total [1]
Creamery butter: [2]					
1. Commercial sales	2.6	113.3	26.8		142.6
2. Negotiated export sales		5.5			5.5
3. Direct distribution for school-lunch and other eligible outlets	15.0	4.2			19.2
4. Donations to welfare agencies:					
(a) Domestic		36.4			36.4
(b) Foreign		37.9			37.9
Total [1]	17.6	197.3	26.8		241.6

[1] Detail may not add to total because of rounding.
[2] The difference between total quantities purchased and total quantities disposed of, after making allowance for stocks in inventory, may be attributed primarily to the fact that purchase contracts provide for a 2-percent tolerance, with the result that the actual quantities delivered to CCC may be somewhat more or less than the contracted quantities.

Mr. MARSHALL. Did the Commodity Credit Corporation take any loss on the butter that was repurchased by the trade?

Mr. RICHARDS. No; none on that. Mr. Marshall, there was a small quantity, which we chose to sell, and still do, where the butter is graded down below B grade. There were slight losses on that, but on what we sold back to the trade in late 1950 we took no loss.

Mr. ANDERSEN. What percentage of the butter that you accumulated in that particular period went offgrade?

Mr. RICHARDS. Oh, it was a small percentage, Mr. Chairman; very small.

Mr. ANDERSEN. Less than 5 percent?

Mr. RICHARDS. Oh, yes; much less than that. I think we can put the correct amount in the record.

(The information requested follows:)

QUALITY EXPERIENCE ON BUTTER PURCHASED UNDER THE SUPPORT PROGRAM

Below is a report of regradings of butter purchased and stored in 1949 and 1950 under the milk and butterfat price-support programs. Comparable information is not yet available in connection with butter purchased under the 1952–53 support program. All of this butter was purchased after late November, and about 70 percent of the butter was U. S. Grade A or higher at the time of purchase. The remainder was U. S. Grade B. Since the butter was graded at the time of sale to CCC, and a large proportion has been purchased during the last 3 or 4 months, we do not have substantial regrading experience on this butter. Of the quantities regraded to date, there has been no significant deterioration from original grades as purchased.

REGRADINGS OF BUTTER PURCHASED AND STORED IN 1949 AND 1950

Ninety-eight million pounds of butter purchased in 1949 and 128 million pounds purchased in 1950 by the United States Department of Agriculture as U. S. Grade A or U. S. Grade B under the 1949 and 1950 milk price-support programs were regraded after storage at 0° F. or below. About 57 percent of the 67 million pounds of 1949 U. S. Grade A butter when regraded during 1950 and in January and February 1951, was still Grade A; 42 percent was Grade B, 0.3 percent was Cooking Grade, and 0.4 percent was of no grade condition. Of the 31 million pounds of 1949 U. S. Grade B butter that was regraded during the same period, 85.4 percent was still Grade B, 13.4 percent was Grade C, 0.4 percent was Cooking Grade, and 0.6 percent was of no grade condition. All the butter purchased in 1950 was regraded from September 1950 through February 1951. Approximately 93 percent of the 98 million pounds of U. S. Grade A 1950 butter regraded remained Grade A, 5 percent was Grade B, 0.1 percent was Grade C, and 1.7 percent was of a no grade condition. Of the 52 million pounds of 1950 U. S. Grade B butter that was regraded during the same period, 93.4 percent remained Grade B, 5.7 percent was Grade C, 0.1 percent was Cooking Grade, and 0.8 percent was of a no grade condition. A review of the regrading data of the 1949 butter by periods showed that within the first 6 months after purchase, 97.2 percent of the Grade A butter remained Grade A, and 92.6 percent of the Grade B butter remained Grade B. During the next year, increasing proportions of the butter declined one grade. The most frequently recorded flavor defect resulting in downgrading of Grade A butter was "storage" flavor. The most frequent defects causing the downgrading of Grade B butter were "stale" and "oily" flavors. "Surface mold" was the defect noted for more than 98 percent of the butter that declined to a no grade condition. The industry, by proper care and handling of milk and cream on the farms and in plants, rejection at plants of poor quality milk or cream, improvement of plant and equipment sanitation, and the control of mold contamination, can decrease the amount of butter that declines in grade during storage.

Mr. ANDERSEN. Can you not anticipate that your present holdings will not deteriorate any faster?

Mr. RICHARDS. I think that the present stocks of butter, as long as they are in freezer storage, where they are going to be kept, will not deteriorate rapidly.

Mr. ANDERSEN. You would not look for an 80-percent increase due to waste or deterioration?

Mr. RICHARDS. No.

Mr. ANDERSEN. You are speaking of the next 12-month period?

Mr. RICHARDS. That is right.

VALUE OF BUTTER PRICE-SUPPORT PROGRAM

Mr. MARSHALL. Mr. Chairman, it seems to me that there has been an effort on the part of some people to discredit the butter price-support program in the minds of the public.

Mr. ANDERSEN. I agree with you.

Mr. MARSHALL. You will recall what happened in connection with the potato program, which meant that we do not now have an adequate potato program, and the same thing can happen in connection with an adequate butter price-support program, resulting from adverse publicity.

Mr. ANDERSEN. Mr. Marshall, I think you will agree that there are certain people who just do not like the price-support program.

Mr. MARSHALL. And it appears to me that some of those same people are attempting at this time to hold this butter price-support program up as a horrible example of price support. There are so many other things in connection with it that are not understood, and it does create in the minds of the people a false impression as to what is happening in connection with butter. I noticed recently an article in one of my county weekly papers, put out by Fred Stone, who is general manager of the Land O Lakes Creamery. He points out the increase in production in these past months, and that the consumption of butter is affected by oleo, not the price-support program. It does seem to me we ought to be fair about these things and look at all sides of the picture in releasing information, and I regret to say that I think some of the things that are coming out of the Department of Agriculture today are creating in the minds of the people some misunderstanding.

Mr. ANDERSEN. Mr. Marshall, you will recall that I questioned Mr. Wells quite thoroughly as to the predictions being put out by the Department of Agriculture to the effect that the income for this next year would be at least 5 percent below 1952. I questioned him from the viewpoint of it having a bad psychological effect, and I still question it. And I absolutely agree with you that the Department of Agriculture should be very careful in putting out to the public what amounts to "guesstimates" instead of facts as to the future. I think you are touching on a very important subject.

CORN HELD BY CCC

Mr. MARSHALL. Mr. Chairman, I am also interested in the amount of corn held by the Commodity Credit Corporation. I talked to Secretary Benson when he appeared before us; I thought that he had a good solution for turning stocks of corn, and disposing of stocks of corn. I believe that he made the point, if I recall correctly, at the time he was before the committee, that there were some 20 million bushels of corn that would be disposed of by turning and replacing them with other corn.

How much corn have you purchased for replacement under those conditions?

Mr. GORDON. Not a bushel, not a single bushel. The psychological effect of the announcement that we stood ready to purchase apparently

took care of the situation and we have not made any purchases at all. We have and are ready to purchase, but there has been no occasion to do so.

Mr. ANDERSEN. That is the right kind of an announcement to make. It actually had the effect of bolstering up the market.

Mr. GORDON. Yes. The 20 million bushels that you refer to, of course, is made up of this: About 12 million are in sample grain, which is not at all in danger of deteriorating, and actually that sample grain is very largely accounted for by the cracking and the breakup resulting from turning our holdings, because of the movement; and about 8 million bushels of that is——

Mr. ANDERSEN. How many bushels of corn do you have on hand today

Mr. GORDON. 266.7 million bushels on January 31.

Mr. ANDERSEN. And how much of that is lower than grade No. 3?

Mr. GORDON. Let me give you the estimated figure as of April 6; 254,770,000 bushels, and I do not think there has been too much in that figure of sample grade, because we have tried to move it.

Mr. ANDERSEN. In moving and handling it frequently cracks?

Mr. GORDON. Yes; and actually it brings a very high price in relation to No. 2 corn.

Mr. ANDERSEN. Then you really have only about 5 percent of poor-quality corn?

Mr. GORDON. Yes. We are trying to clean up the bin sites, getting out the corn that is in danger of deteriorating. In other words, in locations where it is beginning to heat, we move that corn to the market, and we are moving between 800,000 and 1,000,000 bushels a week, and have for the last several weeks now, and the market has been absorbing that, without having to use the purchase program as an offset.

Mr. MARSHALL. Suppose that all of this 20 million bushels of corn that you are talking about was corn which is going out of condition, that is a small percentage of the total produced corn.

Mr. GORDON. Yes, indeed.

Mr. MARSHALL. That 20 million bushels of corn would last the livestock industry of this country less than 2 days?

Mr. GORDON. And actually we have gotten, as I mentioned before, a very high price for that corn, in relation to No. 2 corn. It has a much higher relationship than you would normally expect. I think our records indicate that it has brought as much as $1.35.

Mr. ANDERSEN. And the best corn is bringing about $1.50 in my area.

Mr. GORDON. Yes. The 1948 and 1949 crops were 2 years with exceptionally good quality corn.

NEED FOR ESTABLISHING RESERVES

Mr. MARSHALL. Of course, as to this matter of publicity, if you want to call it that, and there has been quite a lot of loose talk going around lately about the amount of stocks which were held by the Commodity Credit Corporation, to such an extent that when you read them you would think we were in a desperate situation. I can remember one time when the so-called surpluses turned out to be a pretty good thing for the welfare of this country. And I would like, if you

care to, Mr. Gordon, to have your comment briefly on the surplus situation at this time.

Do you feel that we are in a dangerous position with reference to the surplus stocks of corn that we have on hand?

Mr. GORDON. The advisory committees which came in a few weeks back—1 on wheat and 1 on corn—both stresses rather strongly the need for a reserve, and they felt that if such a reserve were established, that it ought to be recognized as such, and not considered in the problem, in figuring whether there should be acreage allotments, quotas, and so forth.

I think there is a very general feeling that we need substantial reserves, and certainly when we get a good crop of corn, such as we had in 1948 and 1949, which is still in excellent shape, a majority of it, and corn such as we had in this past season, we could keep large reserves if we could have a proper rotation of stocks so as to keep them in good physical condition all the time. I might say that we are long overdue a drought year now.

Mr. ANDERSEN. That is right.

Mr. GORDON. We have had the longest cycle of good weather that I have ever heard of in this country, and sooner or later it is going to catch up with us.

Mr. ANDERSEN. Mr. Gordon, we talk a lot about storing strategic materials to meet any emergency situation ahead. I think it is just as essential that this Nation have a policy of storing good storable grain commodities to meet any unforseen disaster. I can well recall how we were very glad we had a big stock of corn in 1941.

Mr. GORDON. Yes.

Mr. ANDERSEN. And I hope the day will come when we can do the same thing for oats and other commodities of like importance, under good storable conditions. I do not know whether that can be accomplished or not.

Mr. GORDON. I think it can be.

Mr. ANDERSEN. Of course, we are getting around now to Henry Wallace's ever-normal granary program, and I am a great believer in that theory.

Mr. GORDON. Of course, with the amount we have, it will bring us up to a total of about 469 million, less the sales we have made. We have sold about 12 million since January.

CCC WHEAT

Mr. ANDERSEN. What about wheat? Do you have the figures showing how much is under loan?

Mr. BEACH. Based on reports as of February 15, we had 393.8 million bushels under loan, and 62 million bushels under purchase agreement making a total of 455.8 million bushels under price support.

Mr. ANDERSEN. And you had 127 million bushels——

Mr. GORDON. We had 127.8 million bushels in inventory as of January 31, I believe.

Mr. MARSHALL. If we had had a storage program for some of these minerals that this country has needed, it would have saved the taxpayers of this country many, many times the amount which we have lost in the total of agricultural commodities.

Now, we have had a lot of comments lately, Mr. Gordon, and we have heard a lot of talk about peace, and nobody knows whether we are going to get it or not. The feeling is that there has been a change of attitude, at least, and we all certainly hope that there will be an end to this war.

FUTURE RESPONSIBILITY OF PRICE-SUPPORT PROGRAM

Some folks have expressed concern as to what that might mean in the way of problems confronting farmers, and of course going along with that is responsibility of the price-support program in the next few years.

Would you care to make any comment on that, or have you given any particular consideration to it?

Mr. GORDON. I do not feel that I am well enough qualified to comment on that. I believe the Bureau of Agricultural Economics is better qualified to comment on that, and I suspect you have already had comments from them based on comments I have heard here today.

Mr. MARSHALL. Mr. Chairman, it did seem to me that it was something that could be discussed, because I am concerned about the price-support program. I understand there have been several bills introduced concerning the price-support program, providing that the producer would get 90 percent of parity, and it seems that an adverse report to those proposals has come from the Department. Does the Department have some other type of program it expects to offer? Is that the reason for the adverse report?

Mr. ANDERSEN. May I ask, Mr. Marshall, whether or not such adverse reports have come to you or they have been given to a committee?

Mr. MARSHALL. Yes; to a Senate committee, on a number of bills.

Mr. ANDERSEN. Having to do with 90 percent of parity?

Mr. MARSHALL. Having to do with the 90 percent proposals.

Mr. ANDERSEN. Do you have any comment on that, Mr. Gordon?

Mr. GORDON. No; I do not. As I outlined a little earlier in the discussion, the fact is that the Secretary and his staff are beginning a study of what might be a desirable program at the end of this 2-year period, which is already taken care of.

Mr. ANDERSEN. Of course, that is right, and it is the duty of the Secretary of Agriculture to make a study to arrive at a conclusion. But in the final analysis, as I told the Secretary last February, it will be the Congress of the United States that will set the program.

Mr. GORDON. And he realizes that.

Mr. ANDERSEN. As I have told many people through the mail and otherwise, there is a difference between my viewpoint on price support and the Secretary's; but it is merely a matter of degree of support, since he recognizes the need for support.

Mr. GORDON. Absolutely.

Mr. ANDERSEN. And he has admitted that. I think that Mr. Marshall is absolutely right in wanting an explanation. It has been very encouraging to me, personally, that the Secretary continued the 90 percent support for butter to give the industry a year's time in which to arrive at some solution of the problem.

Mr. MARSHALL. Mr. Chairman, I think that Secretary Benson is absolutely sincere in his viewpoint, and I have great respect for him, although I quite frequently disagree with his views. My only purpose of raising this question at all at this time is because Mr. Gordon is the Administrator of the Production and Marketing Administration, which will be concerned with the handling of a lot of these Commodity Credit stocks, and also other phases of the program. It is inconceivable to me how anyone can put his heart into the administration of a program unless he believes in what he is doing. And I gather that Mr. Gordon is not worried too much about the stocks of corn, and he does not feel that there is anything to cause great alarm at this time.

Mr. GORDON. Particularly if we can have a stock-revolving program.

Mr. MARSHALL. I certainly hope that you folks can put something along that line into operation under which you can have the high quality corn in stock.

PRICE SUPPORTS FOR MARYLAND TOBACCO

Mr. WHITTEN. Mr. Marshall, will you permit another interruption? I come from a cotton-producing section, and although we do have large dairy interests and I am very much interested in a support program on dairy products, I cannot help but say that the Secretary must be aware of the fact that no firm price support program can continue indefinitely without some limit on perishables. He can wreck the whole farm support program unless he has proper controls or limits.

I, too, have been impressed with the fact that Secretary Benson is a fine man and a sincere man. But I have a firm feeling that the recommendation to give the price support program to the Maryland tobacco producers, after the farmers had voted down any controls over production, will serve no good purpose.

And it looks more like the Department is playing up how much we are spending on the butter support program. I cannot help but think that he is using that perhaps in an effort to strike at the firm price support program, since a good many of his leaders and advisers have been for a flexible support program.

I hope that we can develop some support for perishables, to the extent that we can afford it, but not just as a means as discrediting the whole price-support program.

Mr. GORDON. Would you like me to comment on the Maryland tobacco matter?

Mr. WHITTEN. I certainly do not want to prohibit anyone from making a statement who wants to make one.

Mr. GORDON. The situation with reference to Maryland tobacco is quite different from most tobaccos, in that the tobacco is never marketed in the same year in which it is produced, so that the growers in Maryland, when they had the referendum, had no way of knowing what the results were from the previous crop; therefore, they voted down acreage control, and it was not until about 18 months later when they learned the results of their vote for that peculiar crop.

There were two reasons why the Department went along very reluctantly in recommending favorably on the bill. One was the fact that they had no way of knowing the results of their adverse referendum; and, in addition, the use of that particular type of tobacco has

been questionable with the processors, because the level of production has been rather uneven and unsteady. It was felt that if by getting under a quota program, and, if thereby, the production could be level, it could have some effect on the availability, which meant an increase in the consumption of that particular type of tobacco.

All of those facts were taken into consideration. We disliked intensely the fact that they had voted it down and had come back to the Secretary of Agriculture.

Mr. WHITTEN. I repeat that I am for a firm support program for storables, but you cannot have a support program without some limitation on the amount that you are going to support.

Mr. GORDON. Yes.

Mr. WHITTEN. You must either have a limit in quantity, or you have to limit the amount of money that you are going to put in on perishables. And in the absence of those two things you cannot have the firm support program. And any time the Department overlooks that, they are weakening the price support program. And I hope they are not trying to build up a case for flexible supports in doing so.

Mr. GORDON. The matter was discussed very, very thoroughly, and not only in the Tobacco Branch of the PMA, but also before the Commodity Credit Board, and later in the Secretary's office, and it was with the utmost reluctance that the Department went along.

Mr. WHITTEN. I would like to have the Solicitor's opinion on the tobacco situation inserted in the record here. I certainly think it is a bad policy, where the farmers have voted down controls, to give it to them. I think such a program will destroy the price support program.

Mr. ANDERSEN. I am inclined to agree with you.

Mr. GORDON. I think you will find, Mr. Chairman, that it was an administrative decision, and not a Solicitor's opinion, and, therefore, probably there is no Solicitor's opinion given on the subject.

Mr. WHITTEN. There was some opinion released in connection with it, because I have read of it.

Mr. GORDON. Yes.

Mr. WHITTEN. And I would like to have in the record whatever opinion was issued.

Mr. GORDON. The administrative determination in this matter was contained in the Department's report on H. R. 1432. We will be glad to insert it in the record.

(The information requested follows:)

MARCH 14, 1953.

Hon. CLIFFORD R. HOPE,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR MR. HOPE: This is in reply to your letter of January 15, 1953, requesting a report on H. R. 1432 which provides for price support on the 1952 crop of Maryland tobacco.

Price support loans were made on the 1948, 1949, and 1950 crops of Maryland tobacco when the supply was not large enough to require proclamation of marketing quotas under the Agricultural Adjustment Act of 1938, as amended. The supply increased (71 million pounds on October 1, 1945, to 100 million pounds on October 1, 1950) to such an extent that it exceeded the "reserve supply level" defined in the act, and a marketing quota was proclaimed in November 1950 for the 1951–52 marketing year (1951 crop). The supply of 106 million pounds on October 1, 1951, also exceeded the reserve supply level and a quota was proclaimed for the 1952–53 marketing year (1952 crop). Of the votes cast in referenda on these quotas, 63 percent were against quotas for the 1951 crop and 71 percent were against quotas for the 1952 crop.

The Agricultural Act of 1949 provides that no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers.

There were certain issues which confused Maryland tobacco growers and contributed to the disapproval of quotas. The average percentage of Maryland tobacco in cigarettes has decreased from around 3.5 percent in 1940 to less than 2 percent currently. Cigarette output increased steadily from 189 billion in 1940 to 430 billion in 1952 but production of Maryland tobacco did not keep pace, moving only from an average of 30 million pounds in the 5 years 1936–40 to an average of 40 million pounds in the 5 years 1946–50. Domestic consumption has shown little change, moving from about 26 to 28 million pounds. Some who opposed the use of marketing quotas felt and argued at meetings with growers that there was no need for quotas on Maryland tobacco and that tobacco would be purchased by manufacturers at satisfactory prices if it were grown. The situation actually seems to be one in which manufacturers decreased the proportion of Maryland tobacco in cigarettes because of lack of supplies and then made their blends and manufacturing plans based on the supply upon which they thought they could depend.

The second point which led to confusion among growers was the fact that the vote on quotas in late 1950 for the 1951 crop and in late 1951 for the 1952 crop both occurred before growers marketed the 1951 crop during the period May to August 1952. Thus, growers voted in both of these referenda before prices with relatively large supplies and without price supports could be observed.

With a 1951 crop of 42 million pounds and disappearance (domestic consumption plus exports) of 35 million pounds, the supply increased further from 1950 to 1951. Quality considered, the 1951 crop sold for 10 to 12 cents per pound less than the 1950 crop. The 1950 crop, which was of poor quality, averaged 48 cents while the 1951 crop, which was of good quality, averaged only 45 cents. Price-support loans were available on the 1950 crop but not on the 1951 crop.

A quota was proclaimed in October 1952 for the 1953 crop. Largely as a result of the clarification of issues associated with the marketing of the 1951 crop, 74 percent of the votes cast in the referendum were for quotas.

The Department of Agriculture by letter of September 24, 1952, recommended against proposed legislation to make price-support loans available for the 1952 crop. At that time it seemed useless to enact such legislation since there was a possibility that growers would disapprove quotas for the 1953 crop. Since support prices will be available on the 1953 crop, as a result of a favorable referendum, Maryland growers now feel that price supports should be made available on the 1952 crop. The 1952 crop will be marketed from May to August 1953.

The action requested by Maryland growers is similar in part to that taken on the 1939 crop of flue-cured tobacco. Growers had voted in 1938 against quotas for the 1939 crop. Market prices collapsed with the outbreak of war in Europe in 1939. Markets were closed temporarily and when growers voted in a referendum for quotas on the 1940 crops, "price support arrangements" were made effective with reopening of the markets. The Maryland and flue-cured cases differ in that Maryland growers knew their vote against quotas would mean no price supports, whereas price supports were not involved in the flue-cured area when growers voted in 1938.

The vote in the referendum in October 1952 indicates that Maryland growers now understand the need for use of quotas if they expect to operate a price-support program on a sound basis at levels which they deem necessary to maintain production and provide fair returns to growers. The adoption of legislation as requested should be of help to growers and to the Commodity Credit Corporation on tobaccos now on hand and to be received under the price-support program from the 1953 crop. Growers have an interest in 7.7 million pounds of Maryland tobacco from the 1948, 1949, and 1950 crops on which Commodity Credit Corporation loans now are outstanding, and in around 2,500,000 pounds of tobacco held by the Maryland Tobacco Growers' Association in its Baltimore "hogshead market" operation. Further, the price-support loans coupled with quotas designed to maintain supplies at adequate levels should stabilize the market situation during such period as may elapse while manufacturers decide whether to increase their usage of Maryland tobacco based on somewhat higher supply and production levels. Ultimately, of course, if demand fails to increase, growers will have no choice except to adjust supplies in line with demand either through the use of quotas or in response to market prices without price supports.

The enactment of H. R. 1432 would entail little, if any, additional administrative expense.

The enactment of H. R. 1432 would require use of some additional capital funds by Commodity Credit Corporation (estimated $2.5 million). There is risk of some loss of part of these funds. However, experience with the tobacco programs generally indicates that such risks should be minimized if growers adjust supplies in line with demand. The danger of loss will be greater if late this year, when the question of marketing quotas on the 1954 crop is presented to the Maryland tobacco growers, they should vote against quotas.

When the growers of Maryland tobacco voted in 1951 against quotas on the 1952 crop, they had just completed the marketing of the 1950 crop on which price supports were in effect. Thus, it is true that they had no basis on which to realize from actual experience the significance of their action on market prices. This situation in Maryland is unique in that it is the only area in which the tobacco crop is not marketed until the year after it is harvested. Despite the extenuating circumstances the Department does not look with favor on action which would be construed as a precedent for extending price support retroactively to producers of other commodities who have made themselves ineligible by referendum. With the understanding that Maryland tobacco is a special case, the Department recommends passage of H. R. 1432.

In view of the subsequent request that this report be submitted immediately, we have not obtained advice from the Bureau of the Budget as to the relationship of this proposed legislation to the program of the President.

Sincerely yours,

EZRA TAFT BENSON, *Secretary.*

SUPPORT OF COTTONSEED OIL AND SOYBEAN OIL

Mr. HUNTER. Mr. Gordon, one of the things that has come to my attention has been the support of cottonseed oil and also soybean oil, which are interchangeable, so far as use is concerned. I have been advised by people in the cotton industry in California that, if the Government supports cottonseed and soybeans at 90 percent of parity, the price of soybean oil is less than the price of cottonseed oil, with the result that the latter is priced out of the market; that in order to keep the two in balance, so far as price is concerned, cottonseed should be supported at about 75 percent in comparison with 90 percent of parity for soybeans. Is that about right?

Mr. GORDON. There is no question that a 90-percent support on cottonseed will act as an umbrella over soybean oil, and it has the result of soybean oil getting a larger portion of the market than it otherwise would be able to get.

It is estimated that, if there were no support on cottonseed and there were a support of 90 percent on soybean, which has already been proclaimed for this year, you would get 75 to 80 percent on cottonseed, with the result that soybean is holding an umbrella on cottonseed. It is thought there would be a leveling off to some extent as between the two.

Mr. HUNTER. What is happening is that cottonseed oil is being priced out of the market?

Mr. GORDON. Well, linters present another very serious matter. The fact of the matter is that linters are being priced out of the market as compared with woodpulp, which is now in sufficient supply and is interchangeable with cotton linters.

Mr. HUNTER. I think the situation is one that certainly should be studied by the cotton industry, because, although the short-term effect is to put more money into the hands of the producers, the long-term effect is bad, in my opinion, if it results in pricing cottonseed oil out of the market. In the long run it will mean loss of sales and loss of income.

Mr. GORDON. We plan tomorrow afternoon to discuss the situation with some of the cotton folks, people from the cotton territories, who are interested in this problem, to get their reaction to it.

Mr. HUNTER. Do you have agreement among the members of the advisory committee that some study of this problem should be made?

Mr. GORDON. Yes.

COST OF BUTTER-PURCHASE PROGRAM

Mr. HUNTER. One other question: I am glad to hear that the butter-purchase program over a period of years has not cost a great deal. I think you said, Mr. Chairman, there has been about a 5-percent loss?

Mr. ANDERSEN. I said "5-percent loss in quality."

Mr. LAIRD. It was not that high.

Mr. GORDON. No.

Mr. RICHARDS. Mr. Hunter, I think that the loss that Mr. Andersen was talking about awhile ago was the spoilage loss.

Mr. ANDERSEN. Yes; that is correct.

Mr. HUNTER. And you are talking about the loss to the Commodity Credit Corporation in dollars, the loss to the Federal Government in dollars. That is, the amount recovered as against the amount expended.

How is the butter given to the schools and hospitals financed; with section 32 funds?

Mr. GORDON. Yes, sir.

Mr. HUNTER. Your sales to the Army would involve a loss to the Commodity Credit Corporation?

Mr. GORDON. Yes; that would be a loss to them.

Mr. HUNTER. The difference between the support price and the sale price?

Mr. GORDON. Yes, sir; that is right.

INSTITUTIONS QUALIFIED TO RECEIVE FREE BUTTER

Mr. ANDERSEN. Just what institutions are qualified to receive this free butter? You mentioned hospitals.

Mr. GORDON. Yes.

Mr. ANDERSEN. Does the 1949 law still obtain?

Mr. LENNARTSON. Yes.

Mr. ANDERSEN. I had a part in getting that law enacted in 1939.

Mr. RICHARDS. Are you thinking of section 416?

Mr. ANDERSEN. I think so. It has to do with giving the Government the right to dispose of surplus perishables to welfare institutions.

Mr. RICHARDS. I am not sure about it, but I think it is this first category that is being made available under that section.

Mr. ANDERSEN. Would you place in the record a complete reply to my question?

Mr. RICHARDS. Yes, sir.

(The information requested is as follows:)

DONATIONS OF CCC STOCKS

The authority and manner in which commodities may be donated by CCC is set forth in section 416 of the Agricultural Act of 1949, as follows:

SEC. 416. In order to prevent the waste of food commodities acquired through price support operations which are found to be in danger of loss through deteriora-

tion or spoilage before they can be disposed of in normal domestic channels without impairment of the price-support program, the Secretary of Agriculture and the Commodity Credit Corporation are authorized, upon application by the Munitions Board or any other Federal agency and on such terms and under such regulations as may be deemed in the public interest, to make such commodities available to any such agency for use in making payment for commodities not produced in the United States. Any such commodities which are not disposed of pursuant to the foregoing sentence may be made available by the Secretary and the Commodity Credit Corporation at the point of storage at no cost, save handling and transportation costs incurred in making delivery from the point of storage, as follows in the order of priority set forth: First, to school-lunch programs; and to the Bureau of Indian Affairs and Federal, State, and local public-welfare organizations for the assistance of needy Indians and other needy persons; second, to private welfare organizations for the assistance of needy persons within the United States; third, to private welfare organizations for the assistance of needy persons outside the United States (Oct. 31, 1949, Public Law 439, 81st Cong.).

Mr. HUNTER. I certainly hope that the program succeeds, and I am glad that the Secretary has appointed this Advisory Committee which is now studying the entire situation, and has given the industry a year's grace in which to figure out some method by which the supply can be brought in line with demand.

We certainly do not want to happen in butter what happened in potatoes. I not only have a large amount of cotton produced in my district but there is also a great amount of dairy products produced there. What I have said, Mr. Andersen, is not in criticism of the program.

Mr. ANDERSEN. No, I certainly agree with Mr. Hunter that we do not want the butter program to become a potato program. What brought that into disrepute with the American people was the waste and spoilage of good food.

Mr. GORDON. Yes, that is correct.

Mr. ANDERSEN. Now, the average American is not going to object to this committee approving the expenditure of $100 million in order to hold up the butter market, nor will they object if we give that butter away to programs like the school program for consumption. But they will object if we wasted even 15 or 20 pounds of good butter.

IMPORT CONTROLS ON DAIRY PRODUCTS

Mr. LAIRD. Referring to Mr. Hunter's comments, so far as some of the parts of this country are concerned, particularly the urban sections, the press has overemphasized this butter situation and tried to paint a pretty pessimistic picture as far as the future of the dairy industry is concerned. I do not think that there is need for as much concern about it as some of the news articles would lead you to believe. However, it is hard for me to understand sometimes why the dairy problem has been handled in the manner in which it has over the past few years.

I refer particularly to some of the blame that has been levelled against Congress for failure to act, and I think that Congress has acted each time when it was necessary to act.

I would like to find out what recommendations the PMA made as to the application of section 104 which was passed by the Congress to provide for import controls over dairy products. You will recall that some 37 million or 38 million pounds of dried whole milk in addition to dried buttermilk and dried cream came into this country in the later part of 1952. It seems to me that the actions of the Department of

Agriculture were somewhat responsible for the butter situation that we have today. I would like to find out if that is true? Were not the actions of the Department of Agriculture were somewhat responsible for the problem that we find ourselves facing today? Was not the breaking of the butter market during the last quarter of the calendar year 1952 encouraged by the failure of our past Secretary of Agriculture to act?

Mr. RICHARDS. Mr. Laird, section 104 was first passed, as I recall it, in June or July of 1951, and controls were imposed under that act at that time on butter, and nonfat dry milk solids were embargoed and import quotas were placed on cheese. No controls were placed on dried whole milk, dried buttermilk, or dried cream until the 1st of January of this year, when they were put under quotas on January 1, 1953.

Those three products, dried whole milk, dried buttermilk, and dried cream were put under import quotas, and as of April 1 embargoes were put on them.

Mr. LAIRD. I imagine it ran from 11 million to 13 million pounds of butter in that dried whole milk powder that came in during the last two quarters of the calendar year 1952. Did not that have any effect on the butter market?

Mr. RICHARDS. The imports of dried whole milk did increase our level in 1952, and I think your figures are approximately correct, Mr. Laird. Around 35 million pounds came in for the whole calendar year 1952, and to the extent there was conversion, about 9 million pounds of that would be butterfat, or something like 12 million pounds of butter; certainly if that had not come in we would not have bought as much butter as we did buy.

Mr. LAIRD. Did that have any effect in breaking the butter market?

Mr. RICHARDS. There was more butter coming in at the time the market was breaking, which I guess was used for the same purpose, for butter, and to the extent that it added to the butterfat supply, I think it affected the market.

Mr. LAIRD. If you recall butter was remaining above the parity figure and at the time that the butter market was lowering, the greatest imports came in of this dried whole milk powder, dried buttermilk, and dried cream. I want to know wny the Department of Agriculture was so reluctant about imposing these controls? Did the PMA people recommend that they not go along and impose these controls that Congress had provided?

Mr. RICHARDS. Action along that line was recommended to the Secretary at the time, and he did not choose to act.

Mr. LAIRD. The Secretary of Agriculture did not choose to act?

Mr. RICHARDS. Yes.

Mr. LAIRD. Whose recommendation did he follow at that time?

Mr. RICHARDS. I do not know. I know that he did not act until January 1, 1953.

Mr. LAIRD. Is it true that Secretary Brannan set a higher quota for dried whole-milk powder than the amount of actual imports in the first quarter of 1952?

Mr. RICHARDS. The quota set then was equal to the quarterly rate in the first half of 1952, and I would guess it was larger than the first quarter of 1952.

Mr. LAIRD. In November and December the Commodity Credit Corporation was going in and purchasing larger amounts of dairy products, and at the same time the Secretary set a higher quota for the first quarter of the calendar year 1953 than the amount of the actual imports during the first quarter of the calendar year 1952?

Mr. RICHARDS. I would not be sure of that, Mr. Laird, but I expect that is right.

Mr. LAIRD. Is there not a tieup between import controls and a support program?

Mr. RICHARDS. Yes, sir; there should be.

Mr. LAIRD. Can you have a support program without some sort of import controls?

Mr. RICHARDS. Well, depending on the commodity involved. In the case of dairy products, I think that some form of import control is necessary. It might not be true of other commodities.

STUDY TO BE MADE OF FEDERAL MILK-MARKETING ORDERS

Mr. LAIRD. Has the Production and Marketing Administration given consideration to a study of Federal milk-marketing orders? Have they been open to continued study by the Production and Marketing Administration?

Mr. GORDON. I will ask Mr. Lennartson to answer that.

Mr. LENNARTSON. I think the best answer to that can be made by commenting on the action taken by the Dairy Advisory Group that came in, consisting of some 90 or more people. They have requested that a task group be set up to review the entire fluid-milk program with respect to the Federal orders, and such a committee will be set up and a very careful review will be made of the situation.

Mr. LAIRD. But there is no continuing review carried on by the PMA of those orders?

Mr. LENNARTSON. There is a review in this sense that you cannot have one group of producers under an order at A market attempting to establish their price which is out of line with B market. That review, of course, is always continued, so that they are following pretty much the same pattern.

Mr. LAIRD. But is this a review into whether or not we are getting the proper distribution of dairy products? That is going to be done now, is it?

Mr. LENNARTSON. Well, the question raised by the Dairy Advisory Committee was a complete review going into whether or not they were merited. It goes that deep, and that review will be made by that task group to which I have just referred.

Mr. LAIRD. Was it pretty much the feeling among the members of this Dairy Advisory Group that such a study was necessary?

Mr. LENNARTSON. I would not say that it was unanimous at all, because some of the folks from the regions where the milk-marketing orders are in effect naturally think that they are doing an excellent job.

Mr. LAIRD. Was there a vote taken on it?

Mr. GORDON. No. I was chairman of the committee, and this was brought out, I think, in two of the six subcommittee reports, that it did not represent by any means the universal thinking in the

group. In fact, quite a number of the producer groups came to me and said that they were prepared to debate that one very strenuously.

Mr. LAIRD. That is, debate whether a study should be made or debate whether any changes should be made?

Mr. GORDON. Debate whether any changes should be made in the setup. In other words, they were afraid that some action might be taken which would be harmful to the milk-marketing orders. These producer representatives who came and talked to me had that concern.

Mr. LAIRD. But the study will be made?

Mr. GORDON. Yes, sir; there will be a study made, and I think the study will be more limited. The recommendation was on a much more limited basis than might be implied from the resolution. In other words, I think the two groups in getting a recommendation had a much more limited objective in mind than a complete basic analysis of the milk-marketing-order program.

Mr. LAIRD. As I looked over the Secretary's speech in Chicago and have reread it, it seems to me that he certainly was pointing toward such a review in the figures he brought out in his speech about the price being paid for milk production in certain sections of the country, and I just wondered about it.

Mr. GORDON. I think that there is no question that we need to take a real look at the whole milk-marketing-order program, because, as Mr. Lennartson brought out, it has not been under continuous review, but certainly from time to time a review should be made.

Mr. LAIRD. There is no question in my mind that it certainly has been helpful in selecting the fluid-milk-producing sections.

Mr. GORDON. That is right.

Mr. LAIRD. But, of course, there are many other sections that do produce fluid milk, as the chairman brought out. In your district, Mr. Chairman, most of your milk is not for any fluid-milk market.

Mr. ANDERSEN. That is right; practically all of it goes into butter.

AUTHORITY TO REGULATE IMPORTS BY STRENGTHENING SECTION 22

Mr. HUNTER. I understand the Department's position now with respect to the regulation of imports in order to protect these support-price programs is that they will let section 104 expire and substitute and strengthen section 22?

Mr. GORDON. The feeling of the Secretary is that section 22 provides not only permanent legislation but also much broader application, and with the strengthening of and adding flexibility to section 22 it should be ample to take care of everything that section 104 does, and do it on a permanent basis.

Mr. HUNTER. The principal provision for strengthening section 22, as I understand it, is to give the Secretary authority to impose either quotas or import duties immediately when it is determined that imports are adversely affecting domestic support-price programs rather than waiting on action by the Tariff Commission. We have had some very sad experiences with the Tariff Commission. They do not act in time to mitigate or avoid damage.

ADMINISTRATIVE EXPENSES

Mr. ANDERSEN. Mr. Gordon, I notice that you are proposing an increase of $607,890 in administrative expenses. How will that be used?

Mr. GORDON. Mr. Beach.

Mr. BEACH. That will be used largely in PMA Commodity offices. Those are the major field offices that incur the administrative expenses of accounting, inventory management and merchandising of commodities required under the price-support programs.

You are speaking of the increase over the 1953 level. I should mention the increased transfer to the Office of the Solicitor in the amount of $93,500.

There is also a slight increase in the amount of money to be used in the State offices in supervising increased price support activities. That relates primarily to the storage program and tightening up of the warehousing activities for which the State offices have responsibility and the audit of the county office operations.

NEW EMPLOYEES APPLICABLE TO PROPOSED INCREASE

Mr. ANDERSEN. How many new employees will this proposed increase involve?

Mr. BEACH. The average salary of our employees in the PMA Commodity offices is approximately $4,000, and the estimate contemplates an increase of 317 man-years in the PMA Commodity offices.

Mr. ANDERSEN. Most all of this increase is for personnel, is it not?

Mr. BEACH. Yes, sir; but the other objects of expense would increase also, Mr. Chairman. For example, in the New Orleans office we will have an increase in positions and increased rent as a result of the larger volume of cotton loans anticipated. We now anticipate an increase from 1,909 man-years in the PMA Commodity offices in 1953, that is our current estimate, to a total of 2,226 man-years in the fiscal year 1954, and an increase of only 13 man-years in the State offices.

We anticipate a decrease in the Washington office from 432 to 418. We anticipate a decrease in the field servicing offices, such as personnel and administrative services reporting to Washington, by about 29 employees, so that the sole increase in man-years is either in the PMA commodity offices or the State offices, primarily the former.

Mr. ANDERSEN. Mr. Gordon, we have had a very interesting discussion this afternoon. We will adjourn now until tomorrow morning at 9:30.

Mr. GORDON. It has been a very pleasant day, and we have enjoyed it, and we will be back at 9:30.

Mr. ANDERSEN. Thank you, sir.

Mr. GORDON. We appreciate the many courtesies that the chairman and the members of the committee have shown us.

SUGAR ACT PROGRAM

Mr. ANDERSEN. The committee will come to order. We will now take up the Sugar Act program.

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$70,000,000	$64,998,776	$64,700,000
Prior year balance available	72,350	35,000	
Reimbursements from non-Federal sources	79		
Total available for obligation	70,072,429	65,033,776	64,700,000
Balance available in subsequent year	−35,000		
Obligations incurred	70,037,429	65,033,776	64,700,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of equipment (40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
1. Payments to sugar producers:			
(a) Continental beet area	$27,928,661	$29,175,000	$28,550,000
(b) Continental cane area	6,800,000	8,415,000	7,490,000
(c) Offshore cane area	33,848,895	25,910,000	27,111,224
2. Operating expenses	1,459,794	1,533,776	1,548,776
3. Obligations under reimbursements from non-Federal sources	79		
Obligations incurred	70,037,429	65,033,776	64,700,000

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Total number of permanent positions	61	62	64
Average number of all employees	59	60	62
Average salaries and grades:			
General schedule grades:			
Average salary	$4,800	$4,767	$4,737
Average grade	GS–6.6	GS–6.6	GS–6.5
01 Personal services:			
Permanent positions	$336,050	$356,173	$367,271
Payment above basic rates	866	758	
Regular pay in excess of 52-week base	1,293	1,374	1,413
Total personal services	338,209	358,305	368,684
02 Travel	30,688	37,500	36,200
03 Transportation of things	882	900	900
04 Communication services	5,623	5,800	5,800
05 Rents and utility services	634	700	700
06 Printing and reproduction	5,187	7,600	7,600
07 Other contractual services:			
Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C., 1392	615,800	707,979	744,850
"Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture," pursuant to 7 U. S. C. 1388	365,000	374,242	374,242
Services performed by other agencies	87,500	28,500	
Other	3,612	4,300	3,300
08 Supplies and materials	2,559	3,450	3,000
09 Equipment	3,999	4,000	3,000
11 Grants, subsidies, and contributions	68,577,556	63,500,000	63,151,224
13 Refunds, awards, and indemnities: Awards for employee suggestions	4	200	200
15 Taxes and assessments	176	300	300
Obligations incurred	70,037,429	65,033,776	64,700,000

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$15,055,914	$24,654,956	$24,237,732
Obligations incurred during the year	70,037,429	65,033,776	64,700,000
	85,093,343	89,688,732	88,937,732
Deduct:			
Reimbursable obligations	79		
Unliquidated obligations, end of year	24,654,956	24,237,732	24,282,732
Obligated balance carried to certified claims account	138,874		
Total expenditures	60,299,434	65,451,000	64,655,000
Expenditures are distributed as follows:			
Out of current authorizations	60,299,434	41,000,000	40,555,000
Out of prior authorizations		24,451,000	24,100,000

Justification of the Estimates

Mr. Andersen. We will insert at this point in the record pages 134 through 136 and pages 140 through 147 of the justifications, and a statement comparing the revised estimate with the original budget estimate.

(The pages referred to are as follows:)

Purpose Statement

The principal objectives of the sugar program, carried out under the Sugar Act of 1948, as amended, are to protect the welfare of domestic producers and to provide consumers with adequate supplies of sugar at reasonable prices. The attainment of these objectives involves the determination of United States consumption requirements, the administration of quotas to regulate imports of sugar produced in foreign areas and marketing of sugar produced in domestic areas, and the making of payments to domestic producers of sugar beets and sugarcane.

The continental United States produces sugar from both sugar beets and sugarcane. Additional quantities of sugar are produced from sugarcane in Hawaii, Puerto Rico, and the Virgin Islands. The domestic sugar output, produced at a higher cost per unit than in foreign areas, falls far short of meeting the Nation's requirements. To meet total needs, the United States must import substantial quantities of sugar from foreign areas, mainly from Cuba and the Philippines.

If unlimited quantities of sugar were permitted entry into the continental United States from Cuba, the Philippines, and other foreign countries, prices to domestic consumers under ordinary circumstances could be expected to be slightly lower. However, under the present wage standards in domestic producing areas, unlimited imports (unless accompanied by a substantially higher tariff) would place domestic producers in an extremely difficult, if not impossible, competitive position, or would force drastic wage reductions in domestic areas. Moreover, the economy of most of the domestic cane sugar-producing areas is dependent on sugar-producing crops for which there is no feasible alternative.

Quotas.—The Sugar Act of 1948, as amended, provides the quota system to balance supply with demand. Under quotas, the Secretary of Agriculture, as authorized by the act, determines at the end of each calendar year the consumption requirements for the coming year. The consumption requirements for the calendar year 1953 have been established at 7,700,000 short tons, raw value.

The quota provisions of Public Law 140, 82d Congress, approved September 1, 1951, became effective January 1, 1953. Basic 1952 calendar year quotas, under existing legislation, for the 5 domestic producing areas—domestic beet, mainland cane, Hawaii, Puerto Rico, and the Virgin Islands—total 4,268,000 tons and for the Philippines, 974,000 tons. Additional imports to meet 1952 requirements were apportioned on the basis of 98.64 percent to Cuba and 1.36 percent to a group of other foreign countries. Effective January 1, 1953, basic quotas for the 5 domestic producing areas total 4,444,000 tons and for the Philippines, 974,000 tons. The additional requirements will be apportioned on the basis of 96 percent to Cuba and 4 percent to foreign countries other than Cuba and the Republic of the Philippines.

Production adjustment.—The act provides that if production in any area will be greater than the quantities necessary to fill quotas and provide a normal carryover inventory, restrictive porportionate shares, expressed in acres or sugar, shall be established. A restrictive program is designed to result in the production of sugar to meet the quota and provide normal carryover for the area. The quota for the area is divided among individual growers, and as one of the conditions for payment, production must not exceed the proportionate share.

Payments.—Domestic producers of sugar beets receive conditional payments averaging about $2.50 per ton of beets. For producers of sugar cane the payments within the various domestic producing areas range from about 80 cents to $1.62 per ton of cane. The Sugar Act imposes a special tax of 50 cents per hundredweight of sugar, raw value, on all manufactured sugar from sugar beets or sugar cane either produced in or brought into the continental United States.

Revenue.—From the inception of the program in the 1938 fiscal year through the fiscal year 1952, $1,053,162,686 of sugar excise and import taxes have been collected while expenditures under the program have amounted to only $802,233,655.

Appropriated funds:		
Appropriated, 1953		$64,998,776
Revised budget estimate, 1954		59,645,000
Sugar Act program		
Appropriation act, 1953		$65,000,000
Reduction pursuant to—		
Sec. 411	$765	
Sec. 412	459	
		−1,224
Adjusted appropriation, 1953, and base for 1954		64,998,776
Revised budget estimate, 1954		59,645,000
Decrease		−5,353,776

Summary of decreases, 1954

A decrease in mandatory payments to sugar producers for the 1953 crop	−$5,298,776
A decrease in administrative expenses by reducing operations to minimum level	−55,000

Project statement

Project	1952	1953 (estimated)	Increases or decreases	1954 revised (estimated)
1. Payments to sugar producers:				
(a) Continental beet area	$25,919,785	$32,706,776	−$8,692,552	$24,014,224
(b) Continental cane area	8,968,000	5,815,000	+1,649,000	7,464,000
(c) Offshore cane area	33,631,876	24,978,224	+1,744,776	26,723,000
Total payments	68,519,661	63,500,000	+5,298,776	58,201,224
2. Operating expenses	1,480,339	1,498,776	+55,000	1,443,776
Total available or estimate	70,000,000	64,998,776	−5,353,776	59,645,000
Reduction pursuant to secs. 411 and 412		+1,224		
Total appropriation or estimate	70,000,000	65,000,000		

STATUS OF PROGRAM

The program carried out pursuant to the provisions of the Sugar Act insures an adequate supply of sugar at reasonable prices, maintains a healthy and competitive domestic sugar industry of limited size and contributes to the economic and political stability of our natural foreign supply areas, thus improving our import and export trade in other commodities.

Consumer requirements

The act provides that the Secretary of Agriculture shall determine, in December of each year, the consumer requirements for the succeeding year. This determination may be revised during the course of the year as actual consumption requirements warrant.

The following factors are used in determining consumer requirements:

1. Level of consumption during preceding year;
2. Deficiency or surplus in inventories of sugar;
3. Level and trend of consumers' purchasing power;
4. Changes in population and demand conditions;
5. Relationship of wholesale refined sugar prices to the consumers' price index for two periods:

a. The calendar year for which the consumer requirement determination is made, and

b. The period between January–October 1947.

Sugar requirements and distribution

Based upon consumption requirements, statutory quotas in terms of absolute quantities for the domestic areas and the Philippines are established. The shares of Cuba and other foreign countries are expressed as a residual. The quotas for the calendar year 1951 were decreased from 8,250,000 short tons to 7,900,000 as a result of a decline in demand resulting from the utilization of excessive inventories built up during the preceding inflationary period. The 1952 quotas were established at 7,700,000 short tons, 400,000 tons less than the quotas would have been had not a price stimulus been needed.

Basic and adjusted quotas for the calendar years 1951 and 1952 are shown in the following table:

Short tons (raw value)

Production area	1951 quotas, final		1952 quotas as of July 18, 1952	
	Basic	Adjusted	Basic	Adjusted
Domestic beet	1,800,000	1,700,000	1,800,000	1,600,000
Mainland cane	500,000	500,000	500,000	524,810
Hawaii	1,052,000	962,000	1,052,000	1,052,000
Puerto Rico	910,000	956,479	910,000	955,155
Virgin Islands	6,000	6,306	6,000	6,298
Philippines	982,000	782,000	974,000	774,000
Cuba	2,613,960	2,947,175	2,424,571	2,744,308
Other foreign countries	36,040	46,040	33,429	43,429
Total	7,900,000	7,900,000	7,700,000	7,700,000

Estimating marketing allotments

The act provides that marketing allotments be established for any area, if necessary to afford each processor an opportunity to market his fair share of the area's quota and to avoid disorderly marketing. A marketing allotment program is in effect for Puerto Rico with respect to the calendar year 1952 and such a program is contemplated for the area in calendar year 1953.

Establishing restrictive proportionate shares

Proportionate shares for sugarcane farms must be established for each crop, since marketing within such shares constitutes a condition for payments to producers under the Sugar Act. Restrictive proportionate shares are required in any area when indications are that production will be greater than the quantities necessary to fill the sugar quotas for the area and provide a normal carryover inventory for such area. Marketings of sugarcane from the 1952–53 Puerto Rican crop will be restricted in order to attain a better balance between sugar production and marketing quotas. Moreover, it now appears inevitable that restrictive proportionate shares with respect to the 1953–54 Puerto Rican crop must be continued to prevent the accumulation of stocks in excess of marketing quotas and carryover requirements.

Payments to producers

Pursuant to title III of the Sugar Act of 1948, conditional payments totaling nearly $59 million were made to about 69,000 sugar beet and sugarcane producers in 23 States and in Hawaii, Puerto Rico, and the Virgin Islands with respect to the crop year 1951. These producers qualified for payments by meeting certain

standards with respect to child labor, wage rates, proportionate shares established for the farms, and in the case of processor-producers, payment of fair and reasonable prices for sugar beets or sugarcane purchased from other producers. Included in these payments was about $1,800,000 for partial crop losses covering bona fide acreage abondonment or crop deficiencies resulting from drought, flood, storm freeze, disease, or insects. Acreage abandonment payments are made on the basis of one-third of the normal yield of commercially recoverable sugar on the acreage abandoned. Crop deficiency payments on harvested acreage are made on the difference between actual yield and 80 percent of normal yield.

The base rate of payment to producers is 80 cents per 100 pounds of sugar commercially recoverable, raw value. This rate is scaled down for farms which produce in excess of 350 tons of sugar and declines to a minimum of 30 cents per 100 pounds on that part of the farm's total production in excess of 30,000 short tons of sugar.

Total payments made to producers in the several domestic sugar-producing areas, the part of these payments which relates to acreage abandonment and crop deficiencies, and the number of payees for the 1950 and 1951 crop years are shown in the following table:

Payments under the Sugar Act of 1948 and number of payees, in the domestic sugar-producing areas, crop years 1950 and 1951 [1]

Payment and payee	Domestic beet sugar area	Mainland cane sugar area	Hawaii	Puerto Rico [2]	Virgin Islands	Total
Payments on sugar beets or sugarcane:						
1950	$32,640,000	$7,813,000	$8,471,000	$17,429,176	$138,500	$66,491,676
1951	25,037,785	5,758,000	9,143,100	16,981,000	98,000	57,017,885
Abandonment and deficiency payments:						
1950	1,110,000	22,000	----------	79,824	----------	1,211,824
1951	882,000	710,000	----------	172,000	----------	1,764,000
Total payments:						
1950	33,750,000	7,835,000	8,471,000	17,509,000	138,500	67,703,500
1951	25,919,785	6,468,000	9,143,100	17,153,000	98,000	58,781,885
Payees:						
1950 (number)	54,970	9,070	1,219	16,181	541	81,981
1951 (number)	41,439	8,781	1,199	17,034	511	68,964

[1] Preliminary.
[2] 1949–50 and 1950–51 crops.

Sugar tax collection

The act, through an amendment to the Internal Revenue Code, imposes a tax of 50 cents per hundred pounds of sugar, raw value, on all beet or canesugar processed in or imported into the continental United States. The following table shows the taxes collected compared with obligations under the sugar program:

Fiscal year	Sugar tax collections			Total obligations
	Excise tax	Import tax	Total	
1938	$30,569,130	$2,812,488	$33,381,618	$22,074,400
1939	65,414,658	3,494,636	68,908,694	52,460,654
1940	68,145,358	5,461,115	73,606,473	47,212,400
1941	74,834,839	4,876,470	79,711,309	47,677,678
1942	68,229,803	3,778,003	72,007,806	47,869,513
1943	53,551,777	3,383,987	56,935,764	55,638,374
1944	68,788,910	3,906,567	72,695,477	54,818,026
1945	73,293,966	3,262,197	76,556,163	52,359,899
1946	56,731,986	3,059,490	59,791,476	48,418,425
1947	59,151,922	4,755,224	63,907,146	53,343,569
1948	71,246,834	3,275,892	74,522,726	54,794,413
1949	76,174,356	4,139,161	80,313,517	71,880,810
1950	71,188,029	3,899,072	75,087,101	59,935,494
1951	80,191,884	3,468,405	83,660,289	63,750,000
1952	78,473,191	3,603,936	82,077,127	70,000,000
Total	995,986,043	57,176,643	[1] 1,053,162,686	802,233,655

[1] Tax collections exceed total program obligations in the amount of $250,929,031 for fiscal years 1938 through 1952.

Fair wage and price determinations

Among conditions which producers of sugar cane and sugar beets must meet to be eligible for Sugar Act payments is the payment of fair and reasonable wage rates to persons employed on the farm in the production, cultivation, and harvesting of sugar cane or sugar beets. Another requirement for producers who are also processors of sugar cane or sugar beets is the payment of fair and reasonable prices for sugar cane or sugar beets purchased from other producers. The Sugar Act requires that determinations of fair and reasonable wages and prices shall be made by the Secretary after holding public hearings and after making appropriate investigations. Determinations of wages and prices are issued annually for each of the domestic areas; i. e., sugar beet, mainland cane, Puerto Rico, Hawaii, and the Virgin Islands.

1. Wage determinations were issued covering work performed on farms in the production, cultivation, or harvesting of sugar cane or sugar beets in each of the domestic sugar-producing areas. The results achieved are summarized below:

Area	Action taken as compared with wage determination in previous fiscal year
Mainland cane:	
Florida	Basic time rates for all classes of workers increased 5 cents per hour.
Louisiana harvesting.	No change in basic wage rates. Wage increment under wage-price escalator increased from 6.5 cents to 10 cents per 9-hour day for each full 10-cent increase in the average price of raw sugar above $6 per hundredweight for each 2-week period.
Production and cultivation.	No change in basic wage rates. Wage increment under wage-price escalator increased from 5 cents to 7.5 cents per 9-hour day for each full 10-cent increase in the average price of raw sugar above $6 per hundredweight for each 2-week period.
Puerto Rico	Basic wage rates for all classes of workers related to a sugar price level of $5 per hundredweight rather than $3.80 per hundredweight, and increased 11 cents per 8-hour day above 1951 wage rates effective at the $5 sugar price level. Wage increments under wage-price escalator increased from 4.5 to 5 cents per 8-hour day for each 10-cent increase in the average price of raw sugar above $5 for each 2-week period. The lower wage scale provided in former determinations for "interior" farms was eliminated. The effect of such changes was to increase minimum wage rates on other than interior farms approximately 6 percent and on farms previously classed as interior farms approximately 11 percent.
Virgin Islands	No change in basic wage rates.
Hawaii	No change in basic minimum wage provision which requires payment of wages as agreed upon. Under collective agreements affecting the majority of workers and binding upon both parties by provision of the determination, the basic minimum wage for unskilled workers increased from 80 cents to 91 cents per hour and rates for other classes of workers increased by approximately the same amount.
Sugar beets:	
California, southwestern Arizona, and southern Oregon.	No change in basic minimum wage rates.
Regions other than California, southwestern Arizona, and southern Oregon.	No change in basic piecework rates for harvesting and weeding and for thinning and hoeing conventionally cultivated fields. Piecework rates for thinning machine-blocked fields and for thinning and hoeing fields on which no finger-work is required increased $1 per acre, or about 8 percent, in all except 1 wage district. Basic minimum hourly rates increased 5 cents per hour.

Basic wages were increased by action of the wage-price escalator provisions of determinations for certain areas. In Louisiana, the escalator resulted in increases up to 30 cents per 9-hour day in production and cultivation work. In Hawaii, the wage-price escalator of the collective agreement resulted in increases up to 10½ cents an hour above basic minimum wages. In Puerto Rico, workers received up to $1.26 per 8-hour day by action of the wage-price escalator in the last half of 1951 and up to 75 cents per 8-hour day during the first half of 1952.

Fair and reasonable price determinations were issued for each of the domestic areas. These determinations set forth the minimum prices which processor-producers must pay for sugarcane or sugar beets purchased from other producers. In Louisiana and Florida, no changes were made in basic minimum-price requirements, but the molasses payment provision was changed to relate such payment to more current production data and provision was made for negotiating payments for frozen sugarcane. In Puerto Rico changes were made as to the period used for determining the sugar price on which settlement with growers is based, the calculation of selling and delivery expenses was simplified and changes were made regarding the price of sugarcane from which overquota sugar is made. During

the fiscal year, determinations for two sugarcane crops were issued for Hawaii. The determination for the 1951 crop approved existing adherent planters' contracts and provided specific price terms for newly developed contracts between processors and independent growers. In the 1952 crop determination, basic prices were unchanged. Provisions were included limiting allowable deductions and charges to producers which might affect the basic price for sugarcane. The actions taken required the payment to independent growers of approximately the same proportionate share of market returns from raw sugar and molasses as that paid to adherent planters.

2. Following the relaxation of sugar export controls, an amendment to the Puerto Rico fair-price determination was issued which permitted settlements with producers for sugarcane from which was made raw sugar sold to the world market on the basis of the price actually received for such raw sugar. Interpretations of price determinations were also made as the result of unusual circumstances affecting supplies and movement of sugar.

3. A comprehensive administrative report summarizing and comparing costs, returns, profits, and related data for the production and processing of sugarcane in all the domestic areas was issued. The study of costs, margin requirements and package differentials for the domestic sugar-refining industry, commenced in May 1951, was completed and an administrative report will be issued shortly. A survey of workers' performance in the sugar-beet area during the 1951 crop was undertaken and completed. The reports are utilized in determining fair and reasonable wages and prices.

4. A study of costs, returns, profits, and related data for the production and processing of sugar beets was commenced in March 1952. Necessary fieldwork on farms was completed by August 1952 while the processing phase of the study will be conducted during the third quarter of the current fiscal year.

5. To provide data necessary for the effective administration of the Sugar Act of 1948, cost data for all the domestic sugar areas are projected to current crops and marketing years on a continuing basis. Wage and price determinations were issued for all areas for which hearings were held prior to the end of the fiscal year except the Florida price determination for the 1952 crop. Analysis for this determination is in progress. Economic analyses of matters pertinent to wages and prices are continuously in progress.

Program administration

The sugar program is administered in the county by elected county and community committeemen and in the State by a State committee appointed by the Secretary, which is composed of resident farmers.

Administrative expense allocations to States are based upon workload indicators for the previous year adjusted to reflect any contemplated changes in program operations.

A weight is assigned to each factor to be used in arriving at the total financial requirements for State and county office operations and funds are distributed among the States on that basis.

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Payments to sugar producers:				
(a) Continental beet area	$32,706,776	$28,550,000	$24,014,224	−$4,535,776
(b) Continental cane area	5,815,000	7,490,000	7,464,000	−26,000
(c) Offshore cane area	24,978,224	27,111,224	26,723,000	−388,224
Total payments	63,500,000	63,151,224	58,201,224	−4,950,000
2. Operating expenses	1,498,776	1,548,776	1,443,776	−105,000
Total available on estimate	64,998,776	64,700,000	59,645,000	−5,055,000
Reduction pursuant to sections 411 and 412	+1,224			
Total appropriation or estimate	65,000,000			

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $5,055,000 in this item below the original budget estimate consists of the following:

(1) A decrease of $4,950,000 in mandatory payments to sugar producers due to final production figures for 1951 and 1952 crops being lower than anticipated making prior-year balances available for utilization and thus cutting down requirements for 1954 fiscal year.

(2) A decrease of $105,000 in operating expenses is due to a revision in work plans in the administration of restrictive proportionate shares in Puerto Rico and through economies to be effected by reducing to a minimum level Washington and field operations.

Mr. ANDERSEN. Mr. Gordon, do you have a general statement which you would like to present at this time?

Mr. GORDON. I do not have any such statement.

RÉSUMÉ OF THE PROGRAM

Mr. ANDERSEN. Will you submit at this point a brief résumé of the program?

Mr. GORDON. I have such a statement already prepared.

Mr. ANDERSEN. That will be quite satisfactory.

(The statement requested follows:)

SUMMARY STATEMENT, SUGAR ACT PROGRAM

I. PAYMENTS TO SUGAR PRODUCERS

	Original 1954 estimate	Revised 1954 estimate	Difference
(a) Continental beet area	$28,550,000	$24,014,224	−$4,535,776
(b) Continental cane area	7,490,000	7,464,000	−26,000
(c) Offshore cane area	27,111,224	26,723,000	−388,224
Total payments	63,151,224	58,201,224	−4,950,000
Operating expenses	1,548,776	1,443,776	−105,000
Total appropriation	64,700,000	59,645,000	−5,055,000

While the above table shows a decrease of $4,950,000 in payments to producers there is no actual cut involved, due to final production figures for 1951 and 1952 crops being lower than anticipated making prior-year balances available for utilization and thus cutting down requirements for 1954 fiscal year.

The decrease of $105,000 in operating expenses is due to a revision of workload plans in administration of restrictive proportionate shares in Puerto Rico and through economies to be effected by reducing to a minimum level Washington and field operations.

II. PURPOSE OF PROGRAM

To protect the welfare of domestic producers and to provide consumers with adequate supplies of sugar at reasonable prices.

III. OPERATIONS

The following operations are performed:

1. Determination of sugar requirements of consumers.
2. Administration of quotas to regulate entry of sugar into the continental United States.
3. Ascertaining need for and establishing marketing allotments.
4. Formulating of plans and procedures for making payments to domestic producers who meet certain requirements of the act.
5. Wage and price determinations.
6. Making of abandonment and deficiency payments.
7. Establishment of restrictive proportionate shares.

IV. PAYMENTS

Domestic producers o sugar beets receive conditional payments averaging about $2.50 per ton of beets. For sugarcane the payments range from about 80 cents to $1.62 per ton of cane. The Sugar Act imposes a special tax of 50 cents per hundredweight of sugar, raw value, on all manufactured sugar from sugar beets or sugarcane either produced in or brought into the continental United States.

V. REVENUE

From the inception of the program in the 1938 fiscal year through fiscal year 1952, $1,053,162,686 of sugar excise and import taxes have been collected while expenditures under the program have amounted only to $802,233,655.

PROPOSED DECREASES

Mr. ANDERSEN. I note that there is a decrease of $5,298,776 in the payment end of the program and a decrease of $55,000 in the administrative expenses, making a total decrease of $5,353,776.

Do you have any comments on those proposed decreases, Mr. Gordon?

Mr. GORDON. I believe Mr. Beach has a statement on that.

Mr. BEACH. The decrease was primarily due to a change in the outlook for the 1953 crop and changes in the amount of sugar produced in both 1952 and 1951 crops, thus reducing the amount of money necessary to provide payments to sugar producers under the law.

Mr. ANDERSEN. The decrease, then, is right in line with the amount produced, is that it, Mr. Beach?

Mr. BEACH. Yes, sir. With respect to the payment side. In regard to the administrative expenses, there is a reduction as a result of the budgetary review and the economies in our State and county offices, as well as in the Washington office.

Mr. ANDERSEN. Thank you, gentlemen; we will pass on to the school-lunch program.

NATIONAL SCHOOL LUNCH PROGRAM

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$83,367,491	$83,364,269	$83,365,000
Reimbursements from non-Federal sources	30		
Total available for obligation	83,367,521	83,364,269	83,365,000
Unobligated balance, estimated savings	−133,772		
Obligations incurred	83,233,749	83,364,269	83,365,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sales of personal property (40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
1. Food assistance	$81,903,361	$81,925,000	$81,925,000
2. Operating expenses	1,330,358	1,439,269	1,440,000
3. Obligations under reimbursements from non-Federal sources	30		
Obligations incurred	83,233,749	83,364,269	83,365,000

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Total number of permanent positions	217	221	221
Full-time equivalent of all other positions	1	2	2
Average number of all employees	206	212	212
Average salaries and grades:			
General schedule grades:			
Average salary	$4,799	$4,766	$4,735
Average grade	GS–6.6	GS–6.6	GS–6.5
Crafts, protective, and custodial grades:			
Average salary	$2,840	$2,840	$2,840
Average grade	CPC–2.0	CPC–2.0	CPC–2.0
01 Personal services:			
Permanent positions	$1,046,165	$1,074,318	$1,074,316
Part-time and temporary positions	600	2,000	2,000
Regular pay in excess of 52-week base	4,037	4,151	4,153
Payment above basic rates	412	216	216
Total personal services	1,051,214	1,080,685	1,080,685
02 Travel	103,352	123,460	123,460
03 Transportation of things	2,221	4,500	4,500
04 Communication services	20,508	27,065	27,065
05 Rents and utility services	35,109	36,000	36,000
06 Printing and reproduction	10,393	15,000	15,000
07 Other contractual services:			
Advanced to "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392	90,000	129,000	129,000
Services performed by other agencies	1,767	2,475	2,475
Other	3,624	3,825	3,825
08 Supplies and materials	8,890	10,700	11,431
09 Equipment	2,500	5,000	5,000
11 Grants, subsidies, and contributions	81,903,361	81,925,000	81,925,000
13 Refunds, awards, and indemnities:			
Awards for employees' suggestions	133	300	300
15 Taxes and assessments	687	1,259	1,259
Obligations incurred	83,233,749	83,364,269	83,365,000

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$1,191,741	$854,871	$569,140
Obligations incurred during the year	83,233,749	83,364,269	83,365,000
	84,425,490	84,219,140	83,934,140
Deduct:			
Reimbursable obligations	30		
Unliquidated obligations, end of year	854,871	569,140	569,140
Obligated balance carried to certified claims account	90		
Total expenditures	83,570,499	83,650,000	83,365,000
Expenditures are distributed as follows:			
Out of current authorizations	82,517,804	82,875,000	82,875,000
Out of prior authorizations	1,052,695	775,000	490,000

Justification of the Estimate

Mr. Andersen. Gentlemen, we will insert in the record at this point pages 148 through 157 of the justifications, and a statement comparing the revised estimate with the original budget estimate.

(The pages referred to are as follows:)

Purpose Statement

This program, authorized by the National School Lunch Act of June 4, 1946, is designed to (1) improve the health and well-being of the Nation's children, and (2) broaden the market for agricultural food commodities.

Federal assistance, in the form of both funds and food, is provided to States and Territories for use in serving nutritious midday meals to children attending

schools of high school grades and under. To be eligible for participation in this program schools must operate their lunchrooms on a nonprofit basis and must comply with minimum requirements set forth in the agreement entered into by the State educational agency and the United States Department of Agriculture.

Each State must submit a plan of operation for approval of the Department by July 30 of each year. Meals served must meet minimum nutritional requirements established by the Department of Agriculture. The type A or complete lunch furnishes one-third to one-half of the daily nutritional requirements of the child; the type B meal, less adequate nutritionally, contains the same nutritional elements but in smaller quantities; and the type C meal consists of one-half pint of milk only.

Each State's share of the total funds available is determined by a formula in the National School Lunch Act which takes into account (1) the number of school children in the State, and (2) the relation of the per capita income in the United States to the per capita income in the State. The funds are paid to the States in quarterly installments and, upon submission of claims to the State agency, schools are reimbursed for a portion of the food cost of each meal served. Maximum Federal reimbursements for meals are 9 cents, 6 cents, and 2 cents for types A, B, and C meals, respectively. Lunches must be served free of charge, or at reduced prices to children who are unable to pay the full cost of the lunch.

Federal funds paid to a State must be matched from sources within the State. From 1951 through 1955, States must contribute $1.50 for each Federal dollar. Beginning in 1956 States must contribute $3 for every Federal dollar.

In addition to the cash assistance, food is purchased and distributed by the Department under authority of section 6 of the National School Lunch Act. In making these purchases, consideration is given to (1) the nutritional value of the foods in order that they may assist in meeting the minimum nutritional requirements, and (2) the current market situation to insure that the food purchases represent the most economical and effective use of available funds. The national school lunch program provides the largest single outlet for surplus commodities purchased under the authority of section 32 of the Agricultural Adjustment Act, as amended, and price support commodities under section 416 of the Agricultural Act of 1949.

Appropriated funds:		
Appropriated, 1953		$83, 364, 269
Revised budget estimate, 1954		75, 000, 000
Appropriation act, 1953		83, 367, 491
Reduction pursuant to:		
Section 411	$1, 107	
Section 412	2, 115	
		−3, 222
Adjusted appropriation, 1953, and base for 1954		83, 364, 269
Revised budget estimate, 1954		75, 000, 000
Decrease		−8, 364, 269

Summary of decreases, 1954

Reduction in food assistance to be offset by anticipated increases in surplus commodities which will be made available to schools in 1954	−$8, 280, 000
Reduction in estimated operating costs	−84, 269

Project statement

Project	1952	1953 (estimated)	Decreases	1954 revised (estimated)
1. Food assistance	$81, 903, 361	$81, 925, 000	−$8, 280, 000	$73, 645, 000
2. Operating expenses	1, 330, 388	1, 439, 269	−84, 269	1, 355, 000
Unobligated balance	133, 772			
Total	83, 367, 521	83, 364, 269	−8, 364, 269	75, 000, 000
Reduction pursuant to secs. 411 and 412		+3, 222		
Total appropriation or estimate	83, 367, 521	83, 367, 491		

STATUS OF PROGRAM

The school-lunch program is designed to—

1. Broaden the market for agricultural food commodities by—

(*a*) Providing an expanded market for agricultural commodities through local purchases of food by school-lunch programs in commercial channels of trade;

(*b*) Serving as a valuable outlet for agricultural commodities purchased by the Department to alleviate local and seasonal surpluses;

(*c*) Expanding the outlet for highly nutritious foods, particularly in areas of nutritional deficiencies;

(*d*) Introducing a wider variety of foods, thus creating a demand for commodities that many housewives would not otherwise buy.

2. Improve the health and well-being of the Nation's children by:

(*a*) Providing them a well-balanced lunch at school to help fill their daily nutritional requirements.

Experience indicates that children who get lunch under this program, compared with those who do not, show:

(1) More rapid gain in weight and height
(2) Better attendance records
(3) Improvement in scholastic standing
(4) Better deportment
(5) Higher resistance to colds and other illnesses

(*b*) Developing proper and nutritionally beneficial food habits which will continue in later life.

Current activity under the program includes:

1. Furnishing cash assistance to schools for food purchases by—

(*a*) Apportioning among the States and Territories a minimum of 75 percent of the total food assistance funds available on the basis of need as indicated by:

(1) State per capita income compared with United States per capita income
(2) State population of children 5 to 17 years of age

(*b*) Paying the apportioned funds to State agencies on a quarterly basis to enable them to reimburse participating schools for a portion of the food cost of lunches served when the schools:

(1) Agree to operate on a nonprofit basis
(2) Serve meals meeting minimum nutritional standards prescribed by the Secretary of Agriculture
(3) Offer luncheon to all children attending the school and serve it free or at reduced cost to children who are unable to pay the full cost
(4) Agree to purchase commodities designated by the Secretary of Agriculture as being in abundance

(*c*) Paying the funds directly to participating private schools in the 27 States and Hawaii where State laws forbid disbursement of Federal funds by State agencies to private schools. (A proportionate share of the State's total apportionment is set aside for this purpose.)

2. Furnishing food items to schools for lunch programs by—

(*a*) Purchasing foods under section 6 of the National School Lunch Act to help schools meet nutritional requirements most economically and by arranging distribution through approved State distributing agencies:

(1) At a total cost not to exceed 25 percent of the food assistance funds
(2) On the basis of their nutritional value and acceptability
(3) In areas where they are most needed

(*b*) Distributing to schools, through approved State distributing agencies, commodities acquired under the appropriation for removal of surplus agricultural commodities (sec. 32):

(*c*) Distributing to schools, through approved State distributing agencies, commodities acquired by the Commodity Credit Corporation pursuant to section 416 of the Agricultural Act of 1949.

3. Furnishing administrative and technical assistance to State agencies and participating schools with tespect to:

(*a*) Handling of funds.
(*b*) Purchase and storage of food.
(*c*) Proper use of equipment.
(*d*) Preparation and serving of meals.
(*e*) Maintenance of records and preparation of reports.

4. Making reviews and audits by:

(*a*) Annual audits of the records of State agencies and selected schools;

(*b*) Comprehensive administrative analyses of State agencies' operations under the program;

(*c*) Administrative reviews in individual schools as necessary.

EXAMPLES OF RECENT PROGRESS AND TRENDS

The national school lunch program in 1952 continued to benefit an increasing number of children. In 1952 school lunch programs purchased locally approximately $250,276,000 worth of agricultural commodities—$36,765,000 more than in 1951.

I. EXTENT OF PARTICIPATION

(a) *Overall participation increased in 1952*

1. *Schools.*—Final figures for fiscal year 1951 revealed a peak in March of 56,177 participating schools with an average for the principal school months (September through June) of 49,124. Figures for 1952 indicate peak participation in February totaling 56,725—an increase of 548 schools. The number of schools participating during the 10-month period (September through June) of fiscal year 1952 averaged 49,657, an increase of 533 schools.

2. *Children.*—In fiscal year 1951 peak participation totaled 8,638,194 children (in November 1950) with a 10-month average (September through June) of 7,595,126. Reports for 1952 show a peak of 9,320,359 (in November 1951) and a 10-month average of 8,074,990.

3. *Participation by month.*—1. Monthly participation in 1952 showed more fluctuation than in 1951, particularly in April and May as participation declined more than seasonally when a number of schools ceased operations because of lack of funds to continue for the balance of the year.

Participation in the national school lunch program fiscal years 1951 and 1952, by month

	Number of schools—Fiscal years		Number of children—Fiscal years	
	1951	1952	1951	1952
July	1,590	1,616	166,137	164,687
August	5,698	5,418	687,419	646,175
September	43,492	45,431	7,055,602	7,928,262
October	50,681	52,132	8,239,010	8,893,314
November	54,436	55,651	[1] 8,638,194	[1] 9,320,359
December	55,429	56,167	8,624,561	9,158,115
January	56,000	56,606	8,602,376	9,073,317
February	56,149	[1] 56,725	8,480,124	8,792,330
March	[1] 56,177	56,340	8,216,202	8,735,769
April	54,619	54,441	8,101,881	8,365,715
May	49,524	48,096	7,370,440	7,643,074
June	14,734	14,984	2,622,866	2,730,090
Average, September-June	49,124	49,657	7,595,126	8,064,035

[1] Peak month.

II. QUANTITY AND QUALITY OF MEALS SERVED

(a) *Quantity.*—More children in participating schools were fed nutritious lunches over a longer period of the school year judging by (1) the high participation at the outset of the school year; (2) the maintenance of this high rate throughout the school year; and (3) the increase in total number of meals served. The total number of meals served was about 107,000,000 greater—an estimated 1,500,000,000 in 1952 compared with about 1,393,000,000 in 1951.

(b) *Quality.*—Type A meals increased 9.6 percent in 1952 compared with 1951, while other type meals increased only 1.9 percent. In 1952, 68.8 percent of all meals served were type A—a complete meal furnishing one-third to one-half of 1 day's nutritive requirements.

III. METHOD OF FINANCING THE PROGRAM

Estimated funds, by sources, fiscal years 1951 and 1952 [1]

	Fiscal year		Change, 1952 from 1951
	1951 amount	1952 amount	
Federal appropriation	[2] $83,500,000	[3] $83,367,491	−$132,509
Sources within the States:			
Payments by children	207,213,000	241,900,000	+34,687,000
State and local government appropriations	46,477,000	52,000,000	+5,523,000
Other local contributions	32,627,000	38,000,000	+5,373,000
Total, State contributions	286,317,000	331,900,000	+45,583,000
Grand total, funds available	369,817,000	415,267,491	45,450,491

[1] 1952 data preliminary.
[2] In addition, commodities valued at $34,800,000 were distributed under "Removal of surplus agricultural commodities" (sec. 32) and sec. 416 of the Agricultural Act of 1949.
[3] In addition, commodities valued at approximately $16,600,000 were distributed under "Removal of surplus agricultural commodities" and sec. 416 of the Agricultural Act of 1949.

IV. BENEFITS TO AGRICULTURE

Commodities utilized during 1952 in the school-lunch program cost approximately $282 million. Of this amount, over $250 million was expended by schools locally—both Federal and State funds. The remaining $32 million is the estimated cost of almost 197 million pounds of commodities which the Department purchased and distributed to schools under section 6 of the National School Lunch Act, section 416 of the Agricultural Act of 1949, and "Removal of Surplus Agricultural Commodities" (sec. 32).

Commodities purchased and distributed to school-lunch programs, fiscal year 1952

Commodity	Quantity (pounds)	Estimated cost
Sec. 6 National School Lunch Act:		
Beans, dry	9,986,407	$835,670
Beans, green, canned	6,601,709	694,648
Cheese, American process	10,198,530	4,171,547
Cherries, sour pitted, canned	8,732,910	1,270,121
Peaches, canned	19,376,849	2,681,182
Peas, green, canned	4,406,516	464,051
Peanut butter	4,799,277	1,223,834
Prunes, dried	10,076,346	1,369,439
Tomatoes, canned	15,648,855	1,615,823
Tomato paste	6,122,362	1,081,885
Tomato puree	1,982,983	181,816
Total, sec. 6	97,932,744	15,590,016
Sec. 32 Removal of surplus agricultural commodities:		
Apples, fresh	49,231,262	2,707,719
Honey	12,483,640	1,933,716
Milk, dried	13,000,329	2,679,368
Orange juice, concentrated	17,279,728	3,271,053
Pecans, shelled	3,304,883	2,401,328
Total, sec. 32	95,299,842	12,993,184
Sec. 416 Agricultural Act of 1949: Eggs, dried	3,554,019	3,589,560
Grand total	196,786,605	32,172,760

V. SIGNIFICANT FACTORS AFFECTING PROGRAM

(*a*) *Federal reimbursement per meal declines.*—As stated above, the number of lunches served increased from 1,393,000,000 in 1951 to 1,500,000,000 in 1952. This increased participation without a corresponding increase in the school-lunch appropriation has resulted in a reduction in the average Federal reimbursement per meal (for all meals served) from 4.9 cents during 1951 to 4.4 cents during 1952. For the same period the rate for type A meals declined from 6.3 cents to 5.5 cents.

(b) *Increased operating costs.*—There has been a significant increase throughout the country in school lunchroom-operating costs.

(c) *Smaller volume of USDA-donated commodities.*—During the fiscal year 1952, the value of commodities made available to schools by purchases from section 6 funds, distribution of price support (sec. 416), and surplus-removal (sec. 32) commodities, averaged 2.8 cents for each meal served exclusive of type C (milk only). This is a 40-percent decrease under the per-meal value of donated commodities distributed in 1951.

VI. 1953 ACTIVITY

(a) *Participation and number of meals served*

1. Based on preliminary reports, it is estimated that more than 10 million children will participate in the national school-lunch program this fiscal year.

2. The number of meals to be served is estimated at more than 1.5 billion, about 70 percent of which will be complete, or type A meals.

(b) *Commodities purchased and distributed by the Department*

Commodity	Quantity (pounds)	Estimated cost
Sec. 6 (July–November):		
Beans, dry	11,091,900	$980,112
Beans, green, canned	4,325,018	491,421
Cheese	14,190,000	6,138,675
Peaches, canned	8,938,872	1,257,784
Peas, green, canned	7,842,420	824,934
Peanut butter	3,657,433	986,602
Tomatoes, canned	16,201,460	1,718,734
Tomato paste, canned	8,051,472	1,248,071
Total, sec. 6	74,298,575	13,649,333
Sec. 32 (July–October):		
Apples, fresh	469,392	33,702
Cherries, canned	2,269,020	300,418
Eggs, shell	5,280,428	1,957,983
Milk, dry	5,329,329	1,121,824
Pears, fresh	15,432,976	1,134,324
Pork products	6,739,617	3,565,931
Orange juice, concentrated	3,066,361	722,128
Turkeys, frozen	266,272	132,737
Total, sec. 32	38,853,395	8,969,047

(c) *Amendment to the National School Lunch Act*

The National School Lunch Act was amended through Public Law 518, approved July 12, 1952, to provide a more equitable share of Federal assistance to the Territories.

The amendment removes the Territories of Alaska and Hawaii from the 3-percent limitation in the apportionment of funds to the Territories. These two Territories will participate in the total apportionment on the same basis as the 48 States and the District of Columbia.

In addition, the Territory of Guam was made eligible to participate in the national school-lunch program under the same terms as Puerto Rico and the Virgin Islands. The amendment further provides that the apportionment to these three Territories may not be less per child than that of the State having the lowest per capita income among the 48 States, the District of Columbia, Alaska, and Hawaii.

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Food assistance	$81,925,000	$81,925,000	$73,645,000	−$8,280,000
2. Operating expenses	1,439,269	1,440,000	1,355,000	−85,000
Total available or estimate	83,364,269	83,365,000	75,000,000	−8,365,000
Reduction pursuant to secs. 441 and 412	+3,222			
Total appropriation	83,367,491			

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $8,365,000 in this item below the original budget estimate consists of the following:

(1) A reduction of $8,280,000 in food assistance based on an increase in the estimated quantities of surplus commodities to be available for distribution to schools in 1954. This reduction is possible because the present outlook is for continued availability of a large volume of section 32 commodities in fiscal year 1954. The section 32 estimate provides for the purchase of highly nutritious foods such as beef, fresh and dried fruits, fresh and canned vegetables, butter, eggs and milk—all of which are essential in a well-balanced diet. With the distribution of these commodities to schools in the fiscal year 1954, food assistance to school lunch programs will approximate that anticipated in the original budget estimate under the item "National school-lunch program."

(2) A reduction of $85,000 in operating expenses will be effected by reducing to a minimum the technical services which the Department furnishes to State agencies in connection with the operation of the program.

Mr. ANDERSEN. Mr. Gordon, do you care to make a general statement relative to the school lunch program.

Mr. GORDON. No, sir, unless you desire that it be included.

GENERAL STATEMENT

Mr. ANDERSEN. Will you place a general statement in the record at this point?

MR. GORDON. Yes, sir. We will be glad to do that.

(The statement requested is as follows:)

The National School Lunch Act is designed to assist States to operate and expand nonprofit school lunch programs as a means of improving child health and expanding farm markets. The act provides that the program operate on a grant-in-aid basis and that States assume an increasing share of the responsibility for the operation of school lunch programs.

Steady progress is being made toward these objectives. First, more children are eating well-balanced meals at school and a large market for agricultural food commodities has been developed. Second, States generally are assuming more responsibility for the operation of the program, making possible reductions in Federal expenditures for administration. Third, financial support for the program is increasing from sources within the States.

Last year, 9,300,000 children participated in the National School Lunch Program, compared with 6,000,000 in 1947, the first year of operation under the act. This year, participation is expected to total nearly 10,000,000. However, school enrollment also is increasing, with the result that the program continues to reach slightly less than one-third of the children attending school.

Participating schools are providing an annual market for over $270,000,000 worth of food, which is purchased locally from wholesalers, retailers and producers. In addition, the Department has been using about $15,000,000 of the annual school lunch appropriation to make large-volume purchases of food in the open market.

School lunch programs also are the most important outlet for perishable commodities purchased under the authority of section 32. This, we believe, is a most constructive means of using foods the Government must purchase to assist producers.

An increasing number of States are strengthening the school-lunch administrative units within their educational agencies, and, thus, are better able to assume responsibilities formerly performed by the Department. This is making it possible for the Department to simplify its school-lunch procedures and to withdraw many of its supervisory controls. As a result, Federal expenditures for administration have been reduced from $2.0 million in 1947 to about $1.4 million this year. Additional savings in Federal administrative expenses will be made in 1954.

State and local groups also are assuming a larger share of the total cost of the school-lunch program. Sources within the States financed 80 percent of the total cost of the program in 1952, compared with 67 percent in 1947. They are match-

ing Federal cash assistance funds at a rate of 5 to 1, compared with a required matching rate of 1.5 to 1.

In summary, the program is assisting States to improve school feeding services, and is thus contributing materially both to the improvement of child health and to the broadening of markets for many important food commodities. With the likelihood that a large volume of surplus commodities will be available for schools this coming year, we feel that the program will continue to make a substantial contribution to agriculture and the general welfare.

SOURCE OF FUNDS, 1952 PROGRAM

Mr. ANDERSEN. What was the total Federal contribution for 1952, including appropriated funds and commodities distributed to the school-lunch program, Mr. Gordon? First of all, we had the appropriation of $83,367,491.

Mr. GORDON. Yes, sir.

Mr. ANDERSEN. What was the total including the value of the commodities turned over to the school-lunch program.

Mr. BEACH. In 1952 the actual payments to States was $63,812,320 and payments to the Territories were $2,501,025. We gave the schools $15,590,016 worth of commodities, purchased with section 6 funds, which, of course, is a part of the school lunch appropriated money, making a total assistance of $81,903,361.

In addition, we distributed section 32 commodities in the amount of $12,993,184, and section 416 commodities, which are donated under the authority of the Agricultural Act of 1949 by the Commodity Credit Corporation, amounted to $3,589,560. The total of those adds up to $98,486,105.

Mr. HORAN. We have had quite a discussion, Mr. Gordon, as to the total from the common purse of the American people for school lunches.

My own guess in the matter is that we spend better than half a billion dollars out of the common purse of the people of the United States for school lunches. Mr. Trainer I know is aware of my interest in arriving at a responsible figure in that regard. Can you give such a figure? The Federal contribution, I think, has followed a rather responsible pattern, because we have supplied surplus food and in addition we have supplied money.

Mr. ANDERSEN. By your question, I presume you have in mind the financial contributions from the various States and local sources?

Mr. HORAN. Yes, sir; the State and local community contributions do not include in some instances the parochial and privately owned schools.

Mr. ANDERSEN. Do you have a table along that line ready for insertion in the record?

Mr. TRAINER. Yes, sir, there is a table.

Mr. ANDERSEN. We will insert that table at this point.

(The table requested is as follows:)

Estimated income from sources within States compared with Federal assistance in cash and commodities, fiscal year 1952

State	Federal assistance			Matching amount required [3]	Estimated income from sources within States			
	Cash apportionment [1]	Value of commodities distributed [2]	Total		Total	Parents' payments for lunches	State and local government contributions	Other local contributions
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Alabama	$2,580,189	$578,588	$3,158,777	$2,253,173	$8,674,000	$7,211,000	$339,000	$1,124,000
Arizona	399,872	127,570	527,442	517,940	2,348,000	1,893,000	230,000	225,000
Arkansas	1,599,664	354,757	1,954,421	1,378,541	4,355,000	4,082,000	55,000	218,000
California	2,947,144	619,555	3,566,699	4,420,716	25,322,000	19,259,000	3,850,000	2,213,000
Colorado	527,661	126,688	654,349	767,240	2,666,000	1,897,000	126,000	643,000
Connecticut	536,972	104,732	641,704	805,458	3,720,000	2,997,000	178,000	545,000
Delaware	77,700	23,998	101,698	116,550	803,000	528,000	28,000	247,000
District of Columbia	155,861	13,745	169,606	233,792	1,011,000	825,000	183,000	3,000
Florida	1,232,012	409,790	1,641,802	1,557,174	9,522,000	7,355,000	1,169,000	998,000
Georgia	2,395,366	606,066	3,001,432	2,424,557	9,608,000	8,167,000	203,000	1,238,000
Idaho	290,754	87,481	387,235	402,977	1,527,000	1,384,000	18,000	125,000
Illinois	2,413,994	608,368	3,022,362	3,620,991	17,053,000	14,613,000	2,044,000	396,000
Indiana	1,491,398	341,793	1,833,161	2,237,052	8,170,000	6,960,000	130,000	1,080,000
Iowa	1,018,892	306,759	1,325,651	1,508,116	6,374,000	5,417,000	41,000	916,000
Kansas	778,782	166,015	944,797	1,088,451	3,391,000	2,807,000	31,000	553,000
Kentucky	2,144,069	443,298	2,587,367	2,040,299	7,241,000	6,314,000	122,000	805,000
Louisiana	1,688,285	871,701	2,559,986	1,842,838	15,955,000	4,029,000	10,633,000	1,293,000
Maine	428,922	67,875	496,797	520,172	1,354,000	1,062,000	132,000	160,000
Maryland	754,057	162,687	916,744	1,131,086	6,300,000	5,455,000	673,000	172,000
Massachusetts	1,445,523	228,363	1,673,886	2,168,285	10,353,000	6,630,000	3,214,000	509,000
Michigan	2,219,307	368,955	2,588,262	3,328,960	9,941,000	8,081,000	924,000	936,000
Minnesota	1,242,419	345,702	1,588,121	1,728,658	6,298,000	4,565,000	450,000	1,283,000
Mississippi	2,208,621	388,182	2,596,803	1,610,325	4,706,000	3,988,000	227,000	491,000
Missouri	1,442,717	480,958	1,923,675	2,111,330	8,157,000	6,316,000	149,000	1,692,000
Montana	211,866	68,628	280,494	317,799	993,000	740,000	163,000	90,000
Nebraska	487,922	69,776	557,698	731,853	1,610,000	1,299,000	31,000	280,000
Nevada	44,100	18,310	62,410	66,150	247,000	177,000	22,000	48,000
New Hampshire	217,178	49,899	267,077	290,831	1,029,000	746,000	91,000	192,000
New Jersey	1,364,462	202,842	1,567,304	2,046,693	6,237,000	3,817,000	1,042,000	1,378,000
New Mexico	431,728	72,913	504,641	500,125	1,174,000	875,000	116,000	183,000
New York	3,910,213	849,196	4,759,409	5,865,320	29,735,000	15,374,000	14,216,000	145,000
North Carolina	3,005,949	746,502	3,752,451	2,986,063	12,270,000	10,919,000	193,000	1,158,000
North Dakota	306,381	53,239	359,620	415,407	959,000	613,000	93,000	253,000
Ohio	2,505,441	653,233	3,158,674	3,758,162	14,772,000	10,821,000	245,000	3,706,000
Oklahoma	1,813,928	342,654	1,656,582	1,468,562	5,097,000	3,964,000	349,000	784,000
Oregon	533,960	179,646	713,606	800,940	3,995,000	3,042,000	394,000	559,000
Pennsylvania	3,426,730	421,240	3,847,970	5,140,095	13,393,000	7,790,000	586,000	5,017,000
Rhode Island	240,495	28,579	269,074	360,743	1,008,000	709,000	238,000	61,000
South Carolina	1,875,379	468,990	2,344,269	1,627,810	6,894,000	4,999,000	640,000	1,255,000
South Dakota	238,071	33,853	271,924	325,275	626,000	452,000	19,000	155,000
Tennessee	2,317,461	590,288	2,907,749	2,328,758	9,012,000	7,547,000	575,000	890,000
Texas	3,541,808	873,680	4,415,488	4,728,166	15,800,000	13,685,000	1,246,000	869,000
Utah	370,813	139,969	510,782	492,308	2,335,000	1,713,000	548,000	74,000
Vermont	183,931	36,466	220,397	227,480	539,000	400,000	63,000	76,000
Virginia	1,764,257	362,858	2,127,115	2,134,063	8,390,000	6,106,000	518,000	1,766,000
Washington	757,908	268,931	1,026,839	1,136,862	5,952,000	4,702,000	1,215,000	35,000
West Virginia	1,316,339	262,226	1,578,565	1,442,381	4,153,000	3,037,000	543,000	573,000
Wisconsin	1,308,518	220,723	1,529,241	1,955,943	4,932,000	3,598,000	595,000	739,000
Wyoming	115,086	39,891	154,977	172,629	721,000	481,000	83,000	157,000
Alaska	13,419	3,393	16,812	20,129	71,000	46,000	1,000	24,000
Hawaii	96,139	153,505	249,644	140,385	3,286,000	2,867,000	368,000	51,000
Puerto Rico	2,353,944	531,443	2,885,387	850,630	5,078,000	11,000	4,999,000	68,000
Virgin Islands	37,523	13,517	51,040	9,637	88,000	5,000	77,000	6,000
Total	66,320,000	15,590,016	81,910,016	82,155,960	335,245,000	242,370,000	54,418,000	38,457,000

[1] Fourth apportionment.

[2] Under sec. 6 of the National School Lunch Act part of the appropriation is available to the Secretary of Agriculture for purchase and distribution of commodities to schools participating in the program.

[3] According to sec. 7 of the National School Lunch Act, during fiscal 1952 each State is required to match $1.50 for each $1 of the Federal Government's apportionment to the State for food, except that the matching requirement is reduced for States in which the per capita income is below the national average. States with per capita incomes at or above the national average must match at a rate of $1.50 for each $1 of Federal funds. The required rate of matching for other States varies in accordance with the relationship of each State's per capita income to the national average.

Mr. HORAN. The rest of what I am getting at must be in cash.

Mr. TRAINER. Yes, sir. That table shows the total expenditures by schools participating in the national school-lunch program and does not include expenditures for schools that are not in the program. However, I have since last year secured some additional information on that. You asked that question last year.

Mr. ANDERSEN. Let us have as complete a picture as you can get.

Mr. HORAN. I think we should include what the communities and parents and PTA associations are making toward the school-lunch program.

We are aware of the fact that in many areas the biggest part of our school-lunch expenses is not for food, but for manpower and the cost of running the cafeterias, and to have that charged against the Department of Agriculture has always troubled me. I think it should be charged against the Department of Labor.

NUMBER OF SCHOOLS AND CHILDREN INVOLVED IN PROGRAM

Mr. TRAINER. Let me say that the schools outside the school-lunch program—after the question was raised last year—I went back to the Office of Education to see if we could get a figure on how many schools there were outside of the 55,700 participating in the national school-lunch program that were operating their own program, and we found they were unable to collect any information on that at all. So, we went back to the States and asked the State educational agencies to give us their best estimates, or any surveys that they had made, or to see if they could make some sort of a survey for us and furnish this information.

It turns out that there are about 3,000 schools outside of the national school-lunch program, operating on their own, serving approximately three-quarters of a million children. The rest of the schools are in the school-lunch program.

Mr. HORAN. You have had quite an admittance into the school-lunch program in the last year, have you not?

Mr. TRAINER. About the normal rate; about 5 to 8 percent increase over previous years.

Mr. HORAN. The total available children in the Nation—the next figure that comes to my mind was that there were about 27 million children in elementary schools. Am I right in that figure?

Mr. TRAINER. That was the last figure we had available last year. However, that figure has changed materially.

Mr. HORAN. Well, it should, because we have an increase in the birthrate.

Mr. TRAINER. I have a table here which I think will show that.

Mr. HORAN. If you do not mind, Mr. Chairman—since we are on the general questioning—I would like to have these figures for the record.

Mr. ANDERSEN. Whatever you wish, Mr. Horan.

Mr. TRAINER. The school enrollment in elementary and high schools is rising at the rate now of about 1,500,000 children per year. Up to 1951 it increased at the rate of 800,000 a year. It is up to the point now of about 32,300,000 children.

Mr. HORAN. It has risen almost 5 million since the last figure I had, as to the total enrollment available for school-lunch assistance?

Mr. TRAINER. Yes, sir.

Mr. HORAN. My last figure on school-lunch assistance was, normally, by my reckoning, somewhere around 10 million students that was based upon that 27 million.

Mr. TRAINER. That is the 27 million figure?

Mr. HORAN. When there was a 27-million enrollment, there were about 10 million receiving Federal aid.

Mr. TRAINER. No, sir, I believe at the time it was 27 million, there were about 9 million receiving Federal aid.

Mr. HORAN. What is the total number receiving Federal aid now who are in the Federal school-lunch program?

Mr. TRAINER. The top figure this year so far—in November of this current year—was 9,900,000.

Mr. HORAN. Then, it has not increased much over the previous reckoning?

Mr. TRAINER. It has come up about 8 percent.

Mr. HORAN. That is no criticism of the school-lunch program, you understand, but I just wanted the committee to understand the number of school children of the Nation participating in the Federal school-lunch program.

I think it is a credit to the parent-teachers associations and the communities who support the schools in various areas, and I think encouragement for them to do so is in order. However, I want the record to show the number of available children who are actually using the Federal end of the school-lunch program.

Mr. TRAINER. It is close to 10 million.

Mr. HORAN. Out of a possible 32 million?

Mr. TRAINER. Yes, sir.

Mr. HORAN. What are your observations as to the remaining 22 million schoolchildren who are not using the school-lunch program?

Mr. TRAINER. Well, I believe they fall into two classes, generally. There are a number of small communities where the children go home to lunch and have all through the years, and some parents feel that they should. On the other hand, in a large part of the rural areas and in the cities as well, there have been consolidations of schools taking place very rapidly and they are equipping the schools as rapidly as their budgets will permit them in order to provide facilities so they can establish a school-lunch program.

I think one of the best examples I could give you is a current one out in Arlington County, Va. In the last issue of an Arlington County newspaper there was an account of it. In 3 years that school system has grown from 3 cafeterias to 22 cafeterias and there are 12 more planned. They fit them in their budget and the local school board bears those costs. So, you have a large number of schools in the Nation today that are, as yet, unequipped to go into the program, but they are certainly planning on it.

Mr. HORAN. The possibilities are, then, for an expansion of the demand for school lunch available facilities?

Mr. TRAINER. Yes, sir. We expect it to be next year between 10,400,000 and 10,500,000. The increase has been slower over the

last 2 years for this reason, I believe: State agencies' funds are getting tighter and they are examining applications closer and are being a little more strict on schools they admit. A number of States have eliminated, entirely, any type of meal but the type A meal—a complete meal, with milk—and they are not putting out any assistance for the type C, which is milk only, or the type B, which is a meal that is not as complete as the type A meal. They are taking those steps on their own, and that has slowed down the rate of increase.

Mr. ANDERSEN. I hope the chart you insert will give us an estimate of what the local communities, through matching funds on their own, are spending for school lunches.

Mr. TRAINER. We do not have that on this particular table, but we will insert it.

Mr. HORAN. The only reason you should have a table here would be to show the Federal obligation there.

Mr. TRAINER. Yes, sir.

(The data requested are shown on p. 2976.)

VALUE OF COMMODITIES DISTRIBUTED TO SCHOOL LUNCH PROGRAMS

Mr. HORAN. You might supply for the record the surplus foods and their nature that you have supplied to the school-lunch program.

(The material referred to is as follows:)

SEC. 32.—*Estimated value of commodities distributed to school-lunch programs, 1947–52*

Commodity	1947	1948	1949	1950	1951	1952
Apples, dried		$339,109	$380,939	$1,790	$32	
Apples, fresh	$40	1,582,637	18,608	5,884,310	5,409,944	$2,707,719
Apples, sliced, canned			97,976			
Applesauce, canned			1,182,416	4,409	698	
Apricots, dried			434,323	882	20	
Beans, fresh	4,366	52,700	17,524	37,197	3,506	
Beets, fresh	32,457	589				
Butter, fresh				11,851,193	511,420	
Cabbage, fresh	54,857	11,700	126,348	108,763	1,561	
Carrots, fresh	5,586					
Cherries, canned					1,577,878	
Cranberry sauce, canned					980,669	
Eggs, dried	1,238	7,568,482	8,209,098	6,420,187	2,056,436	
Figs, dried		602,780	208,089	21,723		
Filbert nut meats		87,454	39,335			
Grapefruit juice, canned	89	2,152,641	468,518	4,889		
Honey			745,786	1,243,919	1,027,511	1,933,716
Milk solids, nonfat dry				2,275,064	994,881	2,679,368
Onions, dry	184,071					
Orange juice, canned	152	109	1,079,001			
Orange juice, concentrated				3,275	47	3,271,053
Peaches, dried		778,431	690,159	9,025		
Pears, fresh		213,754	10,071	1,500,239	52	
Pecans, shelled						2,401,328
Potatoes, sweet	2,254	533,573	166,568	89,035	97,156	
Potatoes, white	1,979,798	3,291,736	5,836,676	3,389,273	11,427	
Prunes, canned			378,787	1,825		
Prunes, dried		944,822	706,627	172,783	439	
Prunes, fresh				66,081		
Raisins, dried		826,287	650,065	218,115	28,675	
Spinach, fresh	47,571			8,170		
Turkeys				2,881,112	2,492,551	
Walnut meats		353,757	103,117			
Total	2,312,479	19,340,561	21,550,031	36,193,259	15,194,903	12,993,184

SEC. 416.—*Estimated value of commodities distributed to school lunch programs, 1950–52*

Commodity	1950	1951	1952
Butter	$751,726	$9,166,910	
Cheese, natural American cheddar	419,261	3,190,434	
Eggs, dried	292,289	4,055,313	$3,589,560
Milk solids, nonfat dry	45,315	1,089,335	
Potatoes, white	889,887	2,130,560	
Total	2,308,478	19,641,552	3,589,560

Mr. HORAN. I know in my district many of our school superintendents are rejoicing because they have freezer lockers filled with butter and cheese and a lot of other things, and they are trying to help you out now.

The school-lunch program has a very definite and constructive place in our national life. I want the people of the Nation also to know that, in concordance with this Federal program, that a lot of our local communities are going "all out" on their own and feel their own responsibilities as parents of school age children and are expending their own money.

SURPLUS COMMODITIES DIVERTED TO PROGRAM IN 1953

Mr. ANDERSEN. What commodities have you channeled into this program during the current year, 1953?

Mr. TRAINER. We have a table in the record for 1952. I have the items for most of 1953, the current school year which are being presently distributed. We have creamery butter.

Mr. ANDERSEN. Have you the approximate amounts there?

Mr. TRAINER. Yes, sir. This would be schools only, exclusive of institutions and other outlets.

Creamery butter for this year would be 15,550,000 pounds; nonfat dry milk solids, 11,804,000; shell eggs, 5,267,000 dozen; frozen turkeys, 36 million pounds; pork products, 21 million pounds; fresh apples, 10,000 bushels; fresh pears, 324,000 bushels; canned cherries, 85,000 cases; concentrated orange juice, 398,000 gallons; cottonseed oil, 60,000 gallons.

Mr. HUNTER. Is that frozen orange concentrate?

Mr. TRAINER. No, sir, it is not a frozen concentrate; it is a concentrate that is canned.

Mr. ANDERSEN. What is the approximate value, Mr. Trainer, of the items which you have just listed?

Mr. TRAINER. It would be between $50 million and $55 million.

STATE AND LOCAL CONTRIBUTION IN 1953

Mr. ANDERSEN. How much would you say is the total contribution in 1952 by the States and local communities, as a lump sum?

I believe the last figure we had showed that the States and local communities and contributed approximately seven times as much as the appropriation by the Federal Government.

Mr. TRAINER. For fiscal 1952, State and local and other contributions within the State, would be $335 million.

Mr. ANDERSEN. Does that include labor and such?

Mr. TRAINER. Not cash, but where the labor has been donated.

Mr. ANDERSEN. As I recall, a year or two ago this subcommittee was given a figure somewhat near one-half billion dollars, in response to a similar question.

Mr. HORAN. That was not cash, though, Mr. Chairman. The total was a guess; it had to be.

Mr. ANDERSEN. Will you place your best estimate in response to my question in the record?

Mr. TRAINER. This is based on actual reports, Mr. Chairman.

Mr. ANDERSEN. All right, that is what I want. In other words, the States and local communities have actually contributed $335 million.

Mr. TRAINER. Yes, sir.

Mr. HORAN. That amount is, I think, a tribute to our local communities. As the school population has increased, the local interest in this matter has increased also by several million dollars.

SCHOOL LUNCH PROGRAM IN DISTRICT OF COLUMBIA

Mr. HUNTER. Why hasn't the District of Columbia participated in this school-lunch program?

Mr. TRAINER. They do.

Mr. HUNTER. Well, some of the schools do not have a lunch program as yet.

Mr. TRAINER. There are a number of schools in the District of Columbia that are not equipped to participate in the program. They are trying to equip them as rapidly as they can. Quite a few of the schools in the District have what they call the penny milk program, in which they serve milk, only because they have no facilities, but there are quite a number of schools in the District that are in the school-lunch program.

Mr. HUNTER. This is more properly a question for the District of Columbia Committee, but I was interested in finding out why it was that some schools in the District were not participating. They have no lunch program at all, regardless of whether they are participating in the Federal program or not.

USE OF RAISINS IN PROGRAM

Do you list raisins there in the items which were purchased during the year?

Mr. TRAINER. No, sir.

Mr. HUNTER. Have they been purchased in the past?

Mr. TRAINER. Yes, sir; they have been in past years.

Mr. HUNTER. Is there any reason why none were purchased this year?

Mr. TRAINER. These items that I read to you are surplus foods purchased by section 32 funds, and section 32 funds are not available to meet the needs of the schools, but available to meet the needs of the producers. Section 32 funds were not used for purchase this year of raisins, but there were section 32 funds, I believe, used for an export program in raisins.

Mr. HUNTER. That is correct. There is an export program for raisins and a number of specialty products, but raisins have been used in the past in the school-lunch program?

Mr. TRAINER. Yes, sir.

Mr. HUNTER. Have they generally been acceptable as an integral part of the school-lunch program?

Mr. TRAINER. Yes, sir.

Mr. HUNTER. There has been no objection to their use?

Sometimes we find a school administrator who objects to the supplies that are furnished them, for some reason or other, and I was wondering if there had ever been any objection to the inclusion of raisins as a part of the lunch program?

Mr. TRAINER. No, sir; not to my knowledge.

Mr. HUNTER. I just wanted the record to be clear on that matter.

STATUTORY AUTHORITY FOR PROGRAM

Mr. ANDERSEN. Mr. Trainer, we will have inserted at this point in the record title 42, section 1756, of the United States Code, entitled "Payments to States and Matching Payments by States."

(The material referred to follows:)

PAYMENTS TO STATES; MATCHING PAYMENTS BY STATES

Funds apportioned to any State pursuant to section 1753 or 1754 of this title during any fiscal year shall be available for payment to such State for disbursement by the State educational agency, in accordance with such agreements not inconsistent with the provisions of this chapter, as may be entered into by the Secretary and such State educational agency, for the purpose of assisting schools of that State during such fiscal year, in supplying (1) agricultural commodities and other foods for consumption by children and (2) nonfood assistnce in furtherance of the school-lunch program authorized under this chapter. Such payments to any State in any fiscal year during the period 1947 to 1950, inclusive, shall be made upon condition that each dollar thereof will be matched during such year by $1 from sources within the State determined by the Secretary to have been expended in connection with the school-lunch program under this chapter. Such payments in any fiscal year during the period 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by $1½; and for any fiscal year thereafter, such payments shall be made upon condition that each dollar will be so matched by $3. In the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States. For the purpose of determining whether the matching requirements of this section and section 1759 of this title, respectively, have been met, the reasonable value of donated services, supplies, facilities, and equipment as certified, respectively, by the State educational agency and in case of schools receiving funds pursuant to section 1759 of this title, by such schools (but not the cost or value of land, of the acquisition, construction, or alteration of building of commodities donated by the Secretary, or of Federal contributions), may be regarded as funds from sources within the State expended in connection with the school-lunch program. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified (June 4, 1946, ch. 281, § 7, 60 Stat. 232).

SECTION 32, AGRICULTURE ADJUSTMENT ACT

Mr. ANDERSEN. We will also insert in the record the pertinent part of section 32 of the triple-A act at this point.

(The material referred to is as follows:)

Basic authority for surplus-removal programs through purchase and distribution is provided through clause (2) of section 32 of the act of August 24, 1935 (49 Stat. 774), which provides that the Secretary of Agriculture may, each year, use an amount equal to 30 percent of the gross customs receipts collected during the previous calendar year to "* * * (2) encourage the domestic consumption of such (agricultural) commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce * * *."

Specific authority for distribution to school-lunch programs of commodities purchased under the above authority is contained in the National School Lunch Act (Public Law 396, 79th Cong.) which provides (sec. 9) that "Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary to schools in accordance with the needs as determined by local school authorities, for utilization in the school-lunch program under this Act as well as to other schools carrying out nonprofit school-lunch programs and institutions authorized to receive such commodities."

Mr. ANDERSEN. The first item inserted is the act of Congress which gives the basis and the requirements for matching by the various States for the Federal contributions.

TOTAL FEDERAL CONTRIBUTION, 1953

I would like for you to place at this point in the record your best estimate as to the Federal contribution for fiscal year 1953, including not only the appropriations but also the surplus commodities turned over to the school-lunch program.

(The information requested is as follows:)

Federal assistance to school-lunch programs, fiscal year 1953

Item	*Amount*
Cash grants	[1] $66, 925, 000
Sec. 6 commodities	15, 000, 000
Surplus commodities	50, 000, 000–55, 000, 000

[1] Includes $50,000 still to be apportioned to States.

STATE AND LOCAL CONTRIBUTIONS, 1953

Mr. ANDERSEN. Also, place at this point in the record your conception of what is the correct estimate as to what the States, municipalities, local communities, and such have contributed to the program.

(The information requested is as follows:)

Estimated contributions to the national school-lunch program from sources within the States, fiscal year 1953

Source	*Amount*
Parents' payments	$270, 000, 000
State and local governments	63, 000, 000
Other local contributions [1]	44, 000, 000
Total	377, 000, 000

[1] Includes cash assistance and donations in kind from local civic groups such as the PTA, service clubs, churches, and individuals.

STATE CONTRIBUTION INCLUDES COST OF LUNCH TO CHILDREN

Mr. ANDERSEN. It is my understanding that payments by the children themselves for school lunches in fiscal year 1952 amounted to $241,900,000.

Mr. TRAINER. Yes, sir.

Mr. ANDERSEN. Does that in your opinion constitute money which can be considered as part of the matching funds of the States and local communities, as called for by the law?

Mr. TRAINER. Yes, sir.

LEGAL INTERPRETATION OF MATCHING FUND PROVISIONS

Mr. ANDERSEN. I would like for the Solicitor of the Department to place at this point in the record his analysis of this particular question.

Mr. TRAINER. We will be glad to do that.

(The information requested follows:)

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SOLICITOR,
Washington, D. C., April 23, 1953.

Hon. H. CARL ANDERSEN,
Chairman, Agriculture Subcommittee, Appropriations Committee,
House of Representatives, Washington, D. C.

DEAR MR. ANDERSEN: This is in response to your request for a statement from this Office as to whether funds derived from payments made by children for school lunches may be properly included as part of the funds used by States for matching purposes under the National School Lunch Act.

The National School Lunch Act (Public Law 396, 79th Cong.) provides that "payments to any State in any fiscal year * * * shall be made upon condition that each dollar thereof will be matched [in increasing amounts] * * * from sources within the State determined by the Secretary to have been expended in connection with the school-lunch program under this Act." There is no doubt that the language "from sources within the State" was intended to include payments made by children for their lunches.

In the hearings before the Committee on Agriculture, House of Representatives, 79th Congress, 1st session, on H. R. 2673, H. R. 3143, (H. R. 3370 reported), bills relating to the school-lunch program, the following discussion took place (pp. 288–289):

"Mr. PAGE. Do I understand you to say that the 15 or 20 cents the child pays in school is used as part of the State's matching fund?

"Mr. SHIELDS (Solicitor, Department of Agriculture). Yes, sir.

"Mr. VOORHIS. * * * if my little boy goes to school, and I give him money to pay for his lunch * * * you people figure that California has contributed that 20 cents?

"Mr. SHIELDS. Yes, sir.

"Mr. VOORHIS. I am talking about where the parents or the children themselves pay the full amount of the lunch. Do you figure that as part of the State contribution?

"Mr. SHIELDS. Yes, sir.

"Mr. PHILLIPS. All or part of it?

"Mr. SHIELDS. All of it.

"The CHAIRMAN. We all know those amounts paid for lunches have been sums which the States took credit for."

During the course of the hearings before the House Committee the chairman requested a table showing matching of Federal funds by source of funds. This table was later inserted in the hearing record (p. 344) with the following remark by the chairman:

"I have also another table, which I have marked table 4, which shows funds from sources within States eligible for matching, compared with WFA contributions to school-lunch programs, July 1944 to February 1945, inclusive."

The table headings were as follows:

Region and State	Funds from State governments	Funds from local sources	Funds received from meal charges to children	Total funds eligible for matching	War Food Administration contribution to school lunch program	Percent of War Food Administration contribution matched by State

The table indicated that matching (including State and local expenditures of funds from all sources) was at the rate of $1.57 for each $1 of Federal funds.

H. R. 3370 was reported to the House of Representatives on June 4, 1945. The bill provided for payments to State educational agencies for the purpose of assisting school-lunch programs upon condition that each dollar thereof be matched "from sources within the State determined by the Secretary to have been expended in connection with the school-lunch program under this title." In the report accompanying this bill (Rept. No. 684, 79th Cong., 1st sess., p. 5) the committee said:

"The reasonable value of donated services, supplies, facilities, and equipment, as well as proceeds from the sale of lunches as certified by the State educational agency may be regarded as funds from sources within the State."

H. R. 3370 was later enacted as the National School Lunch Act. In the act, as passed by both Houses of Congress and signed by the President, there was no change in the phraseology of H. R. 3370 as to what funds constituted matching funds.

A subcommittee of the Senate Committee on Agriculture and Forestry in the 2d session of the 78th Congress held extensive hearings on S. 1820 and S. 1824, bills to assist the States to establish and maintain school-lunch programs. As a result of these hearings S. 962 was reported to the Senate July 28, 1945. S. 962 provided for payments to State educational agencies for the purpose of assisting school-lunch programs "upon condition that each dollar thereof shall be matched during such year by $1 from sources within the State determined by the Secretary to have been expended in connection with the school-lunch program under this title."

The committee report on S. 962 (Rept. No. 553, 79th Cong., 1st sess.) says on page 14:

"The determination whether the matching funds have been expended by the State in connection with the school-lunch program under this title shall be made by the Secretary. The reasonable value of donated services, supplies, facilities, and equipment, as well as proceeds from the sale of lunches as certified by the State educational agency, may be regarded as funds from sources within the State."

S. 962 was a companion bill to H. R. 2673, which was later reported as H. R. 3370 and enacted as the National School Lunch Act.

The following discussion took place on the floor of the Senate during the debate on S. 962 (Congressional Record, vol. 92, No. 33, p. 1648, Feb. 26, 1946):

"Mr. RUSSELL. I think Mr. President, the amount that has been paid by the school children has been drawn into the total fund and has been considered a local contribution.

"Mr. TAFT. I do not understand from the bill that those who pay for their own lunches are counted as a part of the local contribution.

"Mr. RUSSELL. There is no question about that. That has been the case in all the 10 years during which the law has been in operation.

"Mr. TAFT. Turning to page 5 of the bill, beginning in line 20, we find this language:

"'For the purpose of determining whether the matching requirements of this section and section 108 (d), respectively, have been met, the reasonable value of donated services, supplies, facilities, and equipment as certified, respectively, by the State educational agency and in case of schools receiving funds pursuant to section 108 (d), by such schools may be regarded as funds from sources within the State expended in connection with the school-lunch program.'

"But I do not see anything that indicates that the money paid by the children for their own lunches is a contribution by the States for the purpose of matching Federal funds.

"Mr. RUSSELL. That has always been the case, and it is proposed that that course shall be followed under this measure.

"Mr. TAFT. Can the Senator point out to me the provision under which that interpretation could be made?

"Mr. RUSSELL. I think that interpretation could be made under the language just read by the Senator from Ohio——

"Mr. TAFT. No. I suppose it would be under the language in line 7 on page 5, which reads: "* * * will be matched during such year by $1 from sources within the State determined by the Secretary to have been expended in connection with the school-lunch program."

"Mr. RUSSELL. I thank the Senator. That clarifies it."

The matter was again discussed in the hearings before the Agriculture Subcommittee of the House Committee on Appropriations in connection with the school-lunch item of the Department of Agriculture appropriation bill for the fiscal year 1948 (H. R. 3601, 80th Cong., particularly pp. 1189, 1191, 1208, 1218, 1219). There was inserted in those hearings (p. 1208) a complete statement of the practice of the Department under earlier authority and of all discussion of the question which took place in the enactment of the National School Lunch Act.

Sincerely yours,

KARL D. LOOS, *Solicitor.*

IMPORTANCE OF SCHOOL-LUNCH PROGRAM TO NATIONAL HEALTH

Mr. WHITTEN. I think it would be well for the record to show, just what the nutritional problem is. In times past, we have had in the record a report from the Selective Service, and perhaps, information from the Bureau of Human Nutrition and Home Economics, showing the percentage of the youth of this country, who when called into military service were turned down because they did not meet the physical requirements, most of the time because of nutritional deficiencies in their background.

The surprising thing in all the information we have had has been that this is not limited, necessarily, to your poorer homes. It was expressed sometime ago in one of the Texas cities where I happened to be that over-privileged children constituted quite a problem, so far as the eating habits are concerned. It is a surprising thing that it is not the poorer homes always where the children do not get the diet they need.

I would like, if it is agreeable, to put in the record here the findings in line with what we have had in past years on Selective Service and any other group which deals with a broad section of youth showing what percentage fails to meet certain physical requirements.

(The information requested is as follows:)

STATEMENT OF DR. THOMAS PARRAN, SURGEON GENERAL, UNITED STATES PUBLIC HEALTH SERVICE, BEFORE HOUSE COMMITTEE ON AGRICULTURE, MARCH 1945

Dr. PARRAN. There are three ways, in general, to appraise the nutritional status of the population groups; one is by a study of the amount and kind of food which people consume; the second is by making a careful physical examination of individuals; and the third is by giving supplementary feeding to a group of people and measuring the health improvement.

Many studies have been carried out in this country and elsewhere following each of these three methods of appraising nutritional status, and, in short, one

can say that wherever these studies are conducted, by whatever method, it is found that malnutrition in this country is widespread and serious.

* * * * * * *

I would hope, Mr. Chairman, that the future agricultural policy of the country would be directed toward not only conserving our national resources of the soil, but also toward the production of those foods which are in short supply from the standpoint of nutrition. In other words, we have never consumed in this country the optimum amounts of meat and milk and milk products, and citrus fruits and green vegetables. The dietary habits of the population have changed somewhat in recent years in the direction of a larger consumption of foods which nutritionally are useful, but that trend needs to be further encouraged. In that connection, I should say that the provision of a school-lunch program serves a number of very useful purposes. In the first place, it gives an opportunity for nutritional education, for the teaching of proper food habits to the children.

Some malnutrition exists in families well able to provide sufficient foods of the right kind, but because of poor nutritional habits the proper foods are not consumed. Therefore, this program needs to be related to the whole educational process, and the provision of 1 adequate meal a day, 5 days a week during the school year, will do a great deal, first, to improve the nutrition of the individual child; second, it gives the school authorities, the teachers, an opportunity to inculate sound food habits, and, moreover, once a child has learned what are proper foods, in my experience, there is a great influence upon the family. The child goes home and tells its mother what is good food and what is not, as he has learned about it at school, and so the effect of proper school-feeding programs goes beyond the school itself and back to the family.

Statements by Gen. Lewis B. Hershey with Respect to Malnutrition and the School-Lunch Program

General Hershey. When we adjourned, Mr. Chairman, I was speaking about our base, which is about 16 million examined, and I think the best I can do for the committee is to point out that these lists of physical defects which we have here are of many kinds, so-called mental, so-called emotional, so-called educational and physical. From what study we have made, I would say that 2 or 3 percent of them only are specified as malnutrition and rickets and a few things that are almost wholly connected with nutrition; but while there are 2 or 3 percent of those nutritional defects specified as such by examiners, there are 40 or 50 or 60 percent, perhaps, of rejections in which at least nutrition or feeding has much to do with the rejection.

I am not prepared to say that there is anything for which we have rejected people in which nutrition might not have been a factor, because, after all, what we eat probably has about as much influence on us as where we live or how we are clothed, but I think it would be a more reasonable thing to say that probably at least 40 percent of them are for reasons in which nutrition can be a definite factor.

* * * * * * *

It is perhaps of little use to speculate on what should have been done by our schools, by parents, by health bodies, or by the Government. * * * It is a condition we should recognize as dangerous, and which we should take immediate, positive, and vigorous measures to correct.

Federal Contribution to Point 4 and Similar Programs

Mr. Whitten. Then, I, too, would like to have in the record a statement showing what we spent last year in foreign countries to improve living standards through the point 4 and related programs at this point in the record.

(The material requested is as follows:)

Funds programed under TCA and MSA allocations to the Department of Agriculture, fiscal year 1953 (as of Apr. 13, 1953) [1]

Source	Administrative expenses, Washington	Program expenses (domestic and foreign)	Total
Department of State:			
Technical Cooperation Administration:			
Title I, administrative expenses	$501,000	$336,800	$837,800
Title II, Near East and Africa		888,056	888,056
Title III, Asia and Pacific		1,014,344	1,014,344
Title IV, Latin American (Institute of Inter-American Affairs)		1,299,977	1,299,977
Total, Department of State	501,000	3,539,177	4,040,177
Mutual Security Agency:			
Program expenses, Europe	57,531	1,263,111	1,320,642
Program expenses, Asia and Pacific	6,300	504,300	510,600
Total, Mutual Security Agency	63,831	1,767,411	1,831,242
Total	564,831	5,306,588	5,871,419

[1] At this time it is not practicable to make an accurate forecast of total funds to be made available to this Department for the fiscal year 1953. The above data represent current estimates and do not include proposed additional activities now pending formal approval. The total excludes $47,791,046 transferred to this Department for procurement of agricultural commodities.

NOTE.—"Administrative expenses, Washington" consists of general planning and supervision, liaison with the Department of State and MSA at the departmental level, and liaison with private groups. It also includes personnel work, accounting, fiscal reporting, voucher auditing, and administrative services such as purchasing not done centrally by the Department of State, transportation, communication services, and files. Approximately one-third of the cost of administrative activity under TCA funds is concerned with the recruitment of qualified technical personnel for the TCA program. Considerable difficulty has been and is being experienced in finding such people who, in addition to possessing the qualifications, must also be willing to go abroad for long periods of time.

"Program expenses" consist of (a) domestic program activities generally defined as technical supporting services for field operations. This includes the development of technical materials for use abroad, technical assistance to field project personnel, program reporting, and related subprofessional, stenographic, and typing services; (b) domestic program activities to provide for training of foreign nationals from 45 countries. This includes program planning, screening of applications, selection, reception, orientation, placement, training and supervision of trainees, preparation of awards, making travel arrangements, and reviewing and evaluating program reports; (c) the carrying out, by agricultural technicians abroad, of technical-assistance programs developed and authorized by the Technical Cooperation Administration. These technical assistance projects are currently being carried on in 27 countries.

SOURCE OF SECTION 32 FUNDS

Mr. WHITTEN. Section 32, which the chairman has included here, provides that 30 percent of the customs receipts from commodities coming into this country, in competition with our own products is set aside to handle surpluses. So, the money that is going to purchase commodities which are made available to the school-lunch program, come from taxes on commodities coming into this country to compete with our own.

In spite of the very fine showing which we have had here as to the amount of commodities purchased through the use of these customs receipts on incoming commodities from foreign countries—which, incidentally, was started by this subcommittee—there is a certain amount of overhead that you must have before you can have a school-lunch program. Is that not true?

Mr. TRAINER. That is correct.

USE OF FEDERAL CASH PAYMENTS TO STATES

Mr. WHITTEN. Can you tell me what percentage of the $83 million which we have carried for a number of years has been in cash payments to States for maintaining an organization through which the school-lunch program is operated, and what part of it goes for commodities?

Mr. TRAINER. In fiscal 1952 $66,320,000 went for cash to States.

Mr. WHITTEN. And that cash which goes to the States then is used either in the purchase of commodities or in paying a part of the cost of operating the school-lunch unit in the local schools?

Mr. TRAINER. The whole cash outlay goes for the purchase of food. The overhead, such as maintenance, labor costs, equipment, costs and so forth, is all borne by the local community. None of the Federal appropriation goes for anything but the purchase of food.

Mr. WHITTEN. That means that the local people, if they have a school-lunch program, are running it?

Mr. TRAINER. Yes, sir.

Mr. WHITTEN. And providing facilities with which to serve the school lunch?

Mr. TRAINER. Yes, sir.

Mr. WHITTEN. And the Federal Government has been contributing $83 million toward cost of food?

Mr. TRAINER. Yes, sir.

PER LUNCH APPORTIONMENT OF FEDERAL CASH CONTRIBUTION

Mr. WHITTEN. What change has there been in the percentage of the food cost paid by the Federal Government? How much money did the Federal Government pay toward each lunch 8 years ago as compared with today?

Mr. TRAINER. In 1947 the average cash payment per lunch in all the States was 8½ cents.

Mr. WHITTEN. That is, the contribution of the Federal Government toward the lunch was 8½ cents?

Mr. TRAINER. Yes, sir. In 1952 the cash payment for the average lunch was 5.4 cents and in 1953 our estimate is that it will be about 4.9 cents.

EFFECT OF PROPOSED REDUCTION IN FEDERAL SUPPORT

Mr. WHITTEN. What will be the effect of reducing the program to $75 million?

Mr. TRAINER. We estimate that it will reduce the average cash payment to about 4.2 cents.

Mr. WHITTEN. Now, I would like for you to show under the appropriations that we have had for the past several years, what the contribution by the Federal Government to the States and what reductions will result from reducing the amount from $83 million to $75 million.

Mr. TRAINER. You want a table showing that by States.

Mr. WHITTEN. Yes. In other words, I want to know how this cut would be applied, if the committee should follow the revised budget estimate.

Mr. TRAINER. We will do our best on it.

Mr. HORAN. May I interpolate there? Does that include the value of the surplus food contributed by the Federal Government?

Mr. TRAINER. No, sir. This is Federal cash payments and does not include any section 32 funds.

Mr. HORAN. In order to have the full picture, we should have the total contributions of the Federal Government. I think that is the proper way to do it.

Mr. WHITTEN. I am not trying to avoid anything with regard to these surplus foods.

(The tables requested follow:)

Cash payments to the States under the national school-lunch program, fiscal year 1951 through 1954 and change from 1953 to 1954

State	Total apportionment, 1951	Total apportionment, 1952	Total apportionment, 1953	Total apportionment, 1954 [1]	Change, 1953 to 1954
Alabama	$2,513,816	$2,580,189	$2,586,423	$2,164,789	−$421,634
Arizona	420,599	399,872	403,161	350,279	−52,882
Arkansas	1,701,055	1,599,664	1,612,732	1,385,565	−227,167
California	3,197,370	2,947,144	2,932,650	2,728,754	−203,896
Colorado	514,800	527,661	538,047	479,845	−58,202
Connecticut	607,019	536,972	551,719	488,646	−63,073
Delaware	84,813	77,700	88,169	82,658	−5,511
District of Columbia	187,511	155,861	157,729	146,176	−11,553
Florida	1,250,731	1,232,012	1,235,679	1,194,567	−41,112
Georgia	2,445,825	2,395,366	2,395,895	2,051,190	−344,705
Idaho	311,121	299,754	304,333	280,347	−23,986
Illinois	2,394,660	2,413,994	2,455,972	2,194,979	−260,993
Indiana	1,638,864	1,491,368	1,499,398	1,311,184	−188,214
Iowa	971,080	1,018,892	1,044,214	944,950	−99,264
Kansas	824,855	778,782	783,901	705,199	−78,702
Kentucky	2,224,937	2,144,069	2,161,606	1,753,391	−408,215
Louisiana	1,824,767	1,698,285	1,683,113	1,532,817	−150,296
Maine	478,277	428,922	466,710	402,712	−63,998
Maryland	709,191	754,057	756,159	753,177	−2,982
Massachusetts	1,550,121	1,445,523	1,445,618	1,304,800	−140,818
Michigan	2,334,144	2,219,307	2,206,846	2,050,775	−156,071
Minnesota	1,262,408	1,242,419	1,275,969	1,139,104	−136,865
Mississippi	2,115,064	2,208,621	2,272,271	1,999,677	−272,594
Missouri	1,606,215	1,442,717	1,507,898	1,373,000	−134,898
Montana	186,817	211,866	218,012	197,015	−20,997
Nebraska	483,481	487,922	501,098	479,046	−22,052
Nevada	48,476	44,100	44,253	41,636	−2,617
New Hampshire	232,822	217,178	222,292	191,966	−30,326
New Jersey	1,490,545	1,364,462	1,364,391	1,236,665	−127,726
New Mexico	394,224	431,728	439,140	375,401	−63,739
New York	3,799,985	3,910,213	3,724,837	3,481,197	−243,640
North Carolina	3,100,647	3,005,949	2,985,196	2,622,416	−362,780
North Dakota	282,202	306,381	315,335	280,371	−34,964
Ohio	2,803,740	2,505,441	2,627,159	2,299,538	−327,621
Oklahoma	1,508,514	1,313,928	1,311,786	1,174,813	−136,973
Oregon	665,316	533,960	540,335	501,793	−38,542
Pennsylvania	3,134,712	3,426,730	3,536,861	3,271,822	−265,039
Rhode Island	242,196	240,495	245,240	223,250	−21,990
South Carolina	1,855,374	1,875,279	1,909,360	1,534,506	−374,854
South Dakota	210,785	238,071	299,515	255,538	−43,977
Tennessee	2,345,252	2,317,461	2,210,895	1,960,139	−250,756
Texas	3,905,698	3,541,808	3,661,754	3,260,713	−401,041
Utah	396,710	370,813	373,363	331,854	−41,509
Vermont	186,853	183,931	188,188	163,748	−24,440
Virginia	1,698,641	1,764,257	1,748,723	1,543,223	−205,500
Washington	924,404	757,908	760,087	717,529	−42,558
West Virginia	1,280,246	1,316,339	1,315,412	1,140,096	−175,316
Wisconsin	1,354,429	1,308,518	1,349,510	1,172,781	−176,729
Wyoming	118,688	115,086	115,021	98,120	−16,901
Continental United States	65,770,000	63,818,975	64,373,975	57,373,757	−7,000,218
Alaska	10,551	13,419	11,462	28,633	[2] +17,171
Hawaii	73,320	96,139	90,899	227,061	[2] +136,162
Puerto Rico	2,377,490	2,353,944	2,361,385	2,448,232	[2] +86,847
Virgin Islands	43,639	37,523	37,279	34,829	−2,450
Guam				37,488	[2] +37,488
Territories	2,505,000	2,501,025	2,501,025	2,776,243	+275,218
Total	68,275,000	66,320,000	66,875,000	60,150,000	

[1] Based on a $75,000,000 appropriation. Apportionment by States is estimated, since certification, as required under the National School Lunch Act, of necessary income and population data is not yet available.

[2] Effective fiscal year 1954, the Territories receive a proportionately greater share of school lunch funds pursuant to Public Law 518, 82d Cong.

Federal assistance to school lunch programs fiscal years 1951–53 [1]

[Thousand dollars]

State	1951	1952	1953 [2]
Alabama	4,093	3,756	4,926
Arizona	742	682	988
Arkansas	3,156	2,744	3,953
California	6,106	4,177	5,403
Colorado	977	793	1,058
Connecticut	818	785	1,072
Delaware	145	131	218
District of Columbia	255	198	223
Florida	1,981	1,921	2,601
Georgia	3,888	3,510	4,671
Idaho	602	440	564
Illinois	3,662	3,435	4,536
Indiana	2,306	2,028	2,604
Iowa	1,607	1,485	2,019
Kansas	1,452	1,183	1,629
Kentucky	3,456	3,021	3,917
Louisiana	4,675	3,815	5,973
Maine	603	589	792
Maryland	1,091	1,037	1,341
Massachusetts	2,751	2,143	2,876
Michigan	4,249	3,051	3,897
Minnesota	2,154	1,835	2,446
Mississippi	3,127	2,926	3,702
Missouri	2,532	2,199	3,003
Montana	289	311	413
Nebraska	742	633	826
Nevada	86	69	109
New Hampshire	395	344	482
New Jersey	1,898	1,884	2,404
New Mexico	918	669	894
New York	6,496	5,629	7,170
North Carolina	5,015	4,429	5,845
North Dakota	444	413	510
Ohio	5,185	3,981	5,617
Oklahoma	2,669	2,132	2,937
Oregon	1,108	889	1,255
Pennsylvania	4,218	4,496	5,682
Rhode Island	386	311	375
South Carolina	3,370	2,721	3,599
South Dakota	308	335	495
Tennessee	4,368	3,669	4,941
Texas	6,275	5,205	7,042
Utah	898	654	958
Vermont	279	267	383
Virginia	2,802	2,432	3,114
Washington	1,636	1,205	1,670
West Virginia	2,056	1,919	2,551
Wisconsin	2,541	1,706	2,130
Wyoming	233	171	245
Continental United States	111,043	94,358	126,059
Alaska	59	41	77
Hawaii	263	299	481
Puerto Rico	5,182	3,717	5,156
Virgin Islands	110	78	102
Territories	5,614	4,135	5,816
Total	116,657	98,493	131,875

[1] Includes assistance provided under the National School Lunch Act and the value of surplus foods donated to school-lunch programs.

[2] Includes estimated data for value of surplus commodities.

DISTRIBUTION OF SURPLUS FOODS

Mr. WHITTEN. With regard to these surplus foods, how are they distributed? Is there any formula or is it based on need? Just how do you do that?

Mr. TRAINER. In regard to surplus foods, throughout the country you get a lot of different reactions to different types of food. To avoid waste and to avoid piling up commodities in schools that do not use them as rapidly as, perhaps, other schools do, we allocate them on this basis:

We go to the State distributing agency, which in most instances is also the State department of education, or the State department of welfare, and offer them approximately their share of any item that is available, based on the proportionate number of children in the State. We tell them at the same time that they should not accept any more than they think they can utilize. In turn, each school orders from the State distributing agency on the basis of the amount they can utilize and only the amount they want. So, out of it, comes a disproportionate use in some States. For example, a number of States will figure on using turkey more often in their menus than others. So, they will order more turkeys than the other State will. There is no exact formula for allocating surplus commodities and it must be based on their ability to utilize the food.

Mr. WHITTEN. You try to do it as fairly and equitably as you can, taking into consideration whether they will use it or not.

Mr. TRAINER. Yes, sir. Some States have distributing systems that are better equipped to handle some types of food than others, such as highly perishable food. Some State agencies do not maintain a very elaborate distribution system, and, therefore, they take limited quantities of certain items.

TURKEY PURCHASING PROGRAM

Mr. WHITTEN. In my section there are some things that our people just do not care for, and the same thing, perhaps, applies to every other section of the country.

I notice that you lost a great number of turkeys out in Colorado. The press carried the statement that these turkeys had nothing wrong with them, except an odor about them due to having been frozen and such condition was natural.

Have you had any investigation made of that to see what the true facts are?

Mr. TRAINER. Yes, sir; there is an investigation going on right now on that, and going clear back to the processing plant.

I might say we have handled a total of 48 million pounds of turkey, and the total amount involved in this particular investigation is about 360,000 pounds out of 48 million pounds. So, it is a very small fraction that is involved of the total.

Mr. WHITTEN. Less than 1 percent?

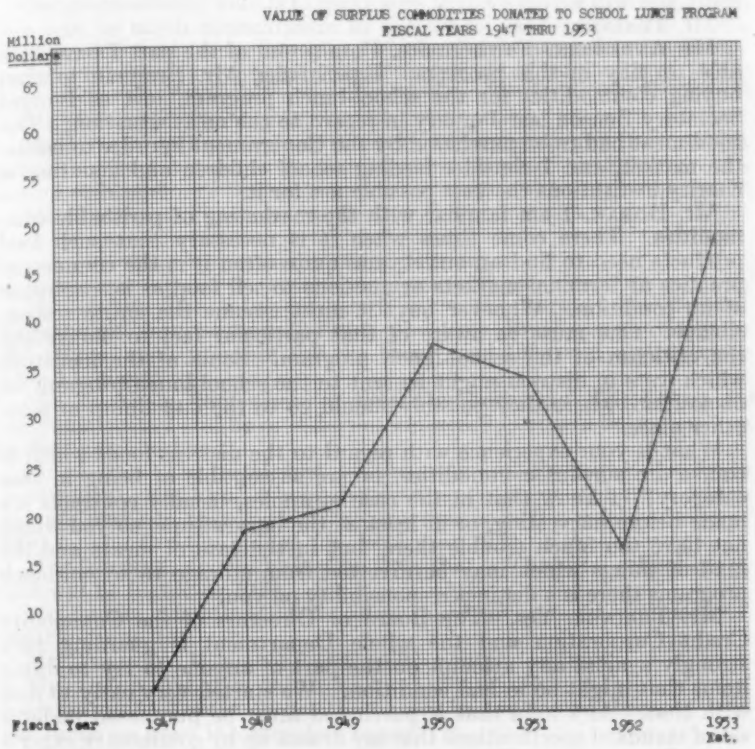
Mr. TRAINER. Yes, sir.

Mr. WHITTEN. I would like to have the record show here something as to the average contribution through section 32 funds during the 3 or 4 years. Of course, food is not always a substitute for funds with which to buy food, though it is a great help.

Mr. TRAINER. That is very true. I have a little chart here which you might be interested in, Mr. Whitten, which shows the use of section 32 funds in schools.

Mr. WHITTEN. I would be glad to have that in the record.

(The chart referred to follows:)



Mr. WHITTEN. I think we should put another statement in the record. I found out last year with regard to your foreign-aid programs that we were providing the money with which to buy our commodities, and then we were selling those commodities below cost and were making the difference up out of section 32 funds. I wrote a restriction on the mutual security bill last year which stopped that. However, up to that time section 32 funds were being used to enable us to sell to foreign countries our own commodities for our own money, below cost to us.

Whatever the attitude might have been about the use of tax receipts on import commodities from foreign countries for commodities to go into the school-lunch program, it is certainly more justified than using those funds through foreign-aid programs to sell our own commodities to foreign countries at a reduced price.

Mr. ANDERSEN. I think, gentlemen, that the very best possible use that can be made of surpluses purchased by the Federal Government is to see that they get to the school children of America. I still say that the school-lunch program would have been very hard up this last year had it not been for the considerable quantity of surplus commodities which we have been able to put into the program. I think you will agree.

Mr. TRAINER. Yes.

Mr. ANDERSEN. Furthermore, I am proud of the part I have been able to play in this program. I persuaded Mr. Brannan to start buying commodities for the school-lunch program, just as I urged Secretary Benson last January in regard to the meat situation. This good meat had to be purchased by the Government in order to bolster the market, and I consider feeding school children and donating to charity institutions the best possible use for it.

Mr. HORAN. I am familiar with the marketing of perishable commodities. There come times when it is necessary that such food products need to find an outlet, and quite often it is the commercial practice at terminal markets or auctions to sell food as is, regardless of its condition. Whoever buys it must assume the entire responsibility. One must be aware of that particular fact to understand the criticism of the school-lunch program. Some of the foodstuffs which were in distress might be sent to the school-lunch program for disposition, where they possibly should go to the city dump or some other place.

What is your experience with regard to the distress foods which of course are surplus commodities, or are susceptible of being in that category? I know that in the case of apples, usually contracts are made before harvesting, or at least at the harvesttime, so you would not have too much trouble there, but in the case of meats and the kind of things which may be diverted from storage to school-lunch programs there is a distinct responsibility on you.

Mr. TRAINER. Yes. The Board of Directors of the Commodity Credit Corporation and the whole Department is guarding very strongly against any attempt on the part of anyone to try to dump items that might be in bad condition. We started very early to deal with that. Any item that is purchased must be purchased under a set of standard specifications that are drawn up by commodity experts of the Department. The turkeys, for example, had to meet the specifications, United States grade No. 1, or grade A—there may be a small tolerance—but they have to come under the specifications before an inspection certificate will be issued.

Mr. GORDON. And in that connection there will be no loss on those turkeys. The vendor is responsible, and we have letters in which he acknowledges responsibility.

Mr. ANDERSEN. Absolutely.

Mr. GORDON. For the 360,000 pounds there will be no loss; there will be a substantial recovery.

Mr. HORAN. I am glad to get that in the record. There are reports that the school-lunch program is accepting below-grade or out of-condition foods. I know that is not true from my own knowledge of how this program operates.

I want to make this point very plain, that this is no longer a surplus commodity disposition program; this is a dietary program, and regarded as such, I believe, by the division that handles it. The only Federal responsibility, as far as I can see, is one to assist in getting this to the school children, and frankly I think the program should be placed under some other agency, possibly under the new Department just set up, Health, Education, and Welfare.

Our responsibility here is to make sure that we get surplus commodities into as much consumption in the school field as possible. We have a wide field to operate in. It is for that reason that I want to pay my compliments to you because I think it has been running along very well.

Mr. TRAINER. Thank you.

Mr. LAIRD. As I understand this school-lunch program, the national school-lunch program is to some extent serving one-third of the school children?

Mr. TRAINER. That is correct.

TOTAL COST OF PROGRAM

Mr. LAIRD. The total contribution on the part of the Federal Government from section 32 funds, and from direct appropriation to the school-lunch program for the fiscal year 1953 will approximate $138.5 million?

Mr. TRAINER. Somewhere in that neighborhood. The figures on the commodities still have to be determined, but it will be somewhere in that neighborhood.

Mr. LAIRD. The total cost of the program, including the State government, the local school districts, and the contribution which parents make to that part of the program is in the neighborhood of $380 million to $400 million for fiscal year 1953; is that correct?

Mr. TRAINER. It will be higher than that. The total school-lunch cost will be higher in 1953.

Mr. LAIRD. That includes the State, local government, and parents' contributions, too.

Mr. TRAINER. It is about $430 million total, for 1952.

Mr. LAIRD. What is the total local, State, Federal, and parents' contribution? I want to get the figures in the record, because I do not think we have the complete record yet.

Mr. TRAINER. Yes.

Mr. LAIRD. The total is from $380 million to $400 million for the fiscal year 1953.

Mr. TRAINER. Yes.

Mr. LAIRD. That is as close as you can estimate what the Federal, State, local school-board contributions, and contributions on the part of the parents will be.

Mr. TRAINER. Yes.

Mr. LAIRD. Then it would seem to me that the total contribution on the part of the State government and on the part of the local school board would be approximately $150 million, assuming that the pay-

ments which were made on the part of the parents amounts to $242 million for the fiscal year 1952 increases; is that approximately correct?

Mr. TRAINER. Yes, with the exception of value of surplus foods.

Mr. LAIRD. I have learned something here today with reference to the formula that is used to furnish Federal aid to the school-lunch program, which I did not know before, and that is that the formula includes the contributions which the schoolchildren make, where the pupil pays 18 or 12 cents, or whatever it may be.

Mr. TRAINER. Yes.

Mr. LAIRD. The other major contributions are on the part of the local school board and on the part of the State. So, it is not a matching formula between the Federal Government and the State; it is a matching formula between the Federal Government and the State, local government, and parents' contributions.

Mr. TRAINER. That is correct. In other words, from sources within the State, as may be determined by the Secretary. Before the passage of the act, and at the time of the passage of the act, this particular subject was discussed at great length in the committees and on the floor of the House and in the Senate, and it was made quite clear at that time that sources from within the State to be included as matching would include State appropriations, school-board contributions, contributions from civic clubs, such as the PTA, or any service club of that type, and children's payments. And in the original testimony on the bill that question was asked directly and there was an answer to that effect by the Solicitor at that time, Mr. Shields.

Mr. LAIRD. Am I correct in this: Assuming that if the State government decides it will cut the appropriation of the amount of money it contributes to the school-lunch program in half, and if the local school board decides that it will do the same thing, this will not make any difference in the amount of the Federal-aid payments, as long as the parents in those States make up that additional contribution?

Mr. TRAINER. As long as the total from State sources matches Federal funds.

Mr. LAIRD. There is no incentive, in this aid program, to keep up the program of the local school board or the State government; is that correct?

Mr. TRAINER. That is correct; but, peculiarly enough, the contributions on the part of both the State and local governments and civic clubs have grown materially every year. In 1947 the State and local governments contributed $20,616,000; and in 1952 they contributed $54,418,000.

Mr. LAIRD. That was what group?

Mr. TRAINER. The State and local governments.

Mr. LAIRD. The State and local government contributions.

Mr. TRAINER. Yes. The civic clubs and other groups in 1947 contributed $17,532,000; in 1952 they contributed $38,457,000, so that there has been a marked increase in contributions on the part of the State governments, school boards, and local community groups.

FEDERAL ASSISTANCE TO THE SCHOOL-LUNCH PROGRAM, 1949–53

Mr. LAIRD. I would like to have inserted here in the record the total Federal funds made available through direct appropriation and section 32 funds used in the school-lunch program during the past 5 years.

Mr. TRAINER. For the past 5 years.

Mr. LAIRD. Yes; so we can see the total figure representing the Federal contribution during the past 5 years.

Mr. TRAINER. Including section 32 commodities, and section 416 commodities—that is another.

Mr. LAIRD. And direct appropriation.

Mr. TRAINER. And direct appropriation.

Mr. LAIRD. Yes.

(The information requested follows.)

Federal assistance in cash and commodities to the national school-lunch program, fiscal years 1949–53

[In millions of dollars]

	1949	1950	1951	1952	1953
Federal appropriation	75.0	83.5	83.5	83.4	83.4
Surplus foods	21.6	38.5	34.8	16.6	[1] 50.0
Total	96.6	122.0	118.3	100.0	133.4

[1] Estimated.

Mr. LAIRD. Many people consider that the major reason for the school-lunch program is to dispose of surplus commodities. I believe the major reason for the school-lunch program is to improve the diet of our school children.

Mr. HORAN. It was started as a means of disposing of surplus commodities.

Mr. LAIRD. And some people still look upon the program as being for that purpose.

Mr. HORAN. I would doubt that.

Mr. LAIRD. I have listened to explanations before the Wisconsin State Legislature, and many people supporting the program of the State request have urged it as a means of getting rid of surplus commodities—in speaking of the Federal Government's participation—and have urged that it would help the Federal Government dispose of surplus commodities. I have never gone along with that line of reasoning, because I do not think this is the primary purpose of the school-lunch program.

Mr. TRAINER. That is correct. The policy declared in the act is to safeguard the health and well-being of the Nation's children and to encourage domestic consumption of nutritious agricultural commodities.

FEDERAL CONTRIBUTION BY DIRECT APPROPRIATION AND STATE AND LOCAL CONTRIBUTIONS

Mr. LAIRD. You have a chart, which I just saw, setting forth the total contributions on the part of the Federal Government by direct appropriation toward the cost of each school lunch, in cents.

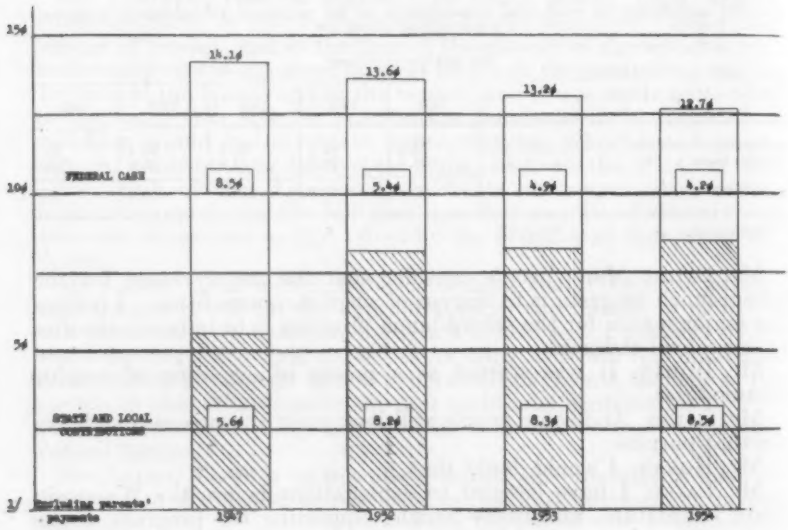
Mr. HORAN. I believe that chart is broken down to cover the last 4 or 5 years' trend.

Mr. TRAINER. This chart [indicating]?

Mr. LAIRD. May we have that chart inserted in the record at this point, Mr. Chairman?

Mr. ANDERSEN. Certainly, Mr. Laird.

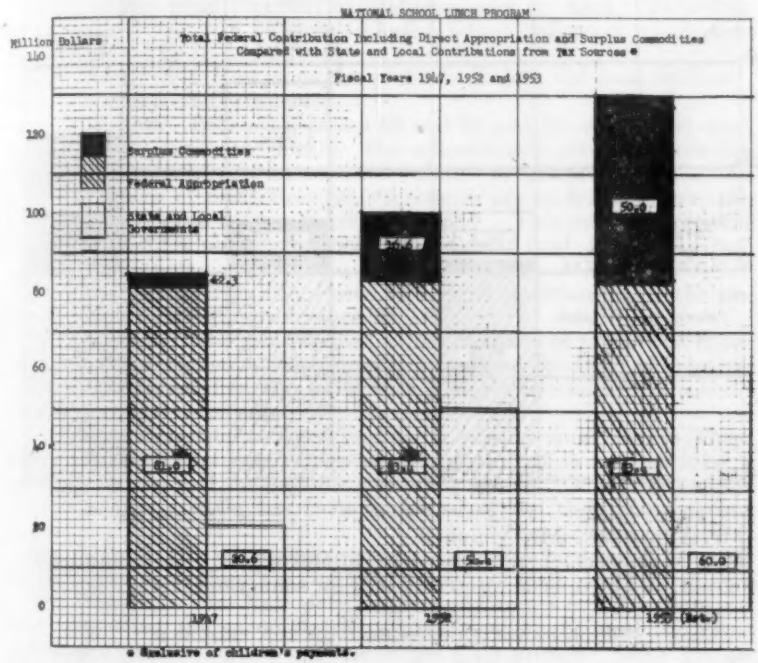
(The chart referred to follows:)

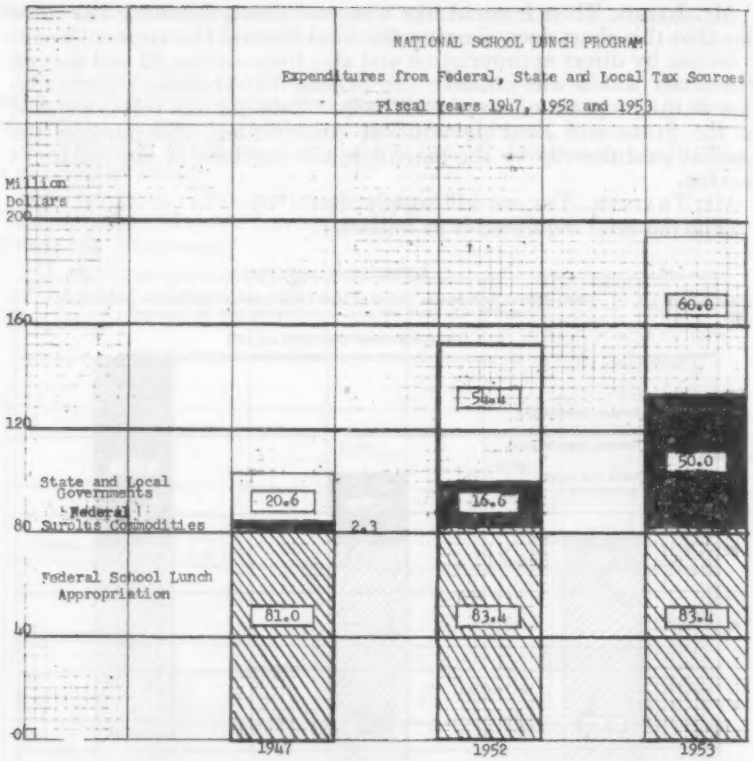


Mr. LAIRD. Then I would like a second chart, following the same line that this chart does, showing the total Federal Government's contribution by direct appropriation and also from section 32 and section 416 funds which will indicate the Federal Government's participation in the program on an overall basis. I should like this compared to the State and local government contribution, disregarding the amount paid directly by the parents in the purchase of the children's lunches.

Mr. TRAINER. Yes, we will supply that.

(The material requested is as follows:)





Mr. ANDERSEN. Mr. Marshall.

Mr. MARSHALL. I am intensely interested in the school-lunch program, and have been interested in it for some time.

OVERALL BENEFITS OF SCHOOL-LUNCH PROGRAM

Mr. Trainer, is the school-lunch program meeting a real need today?

Mr. TRAINER. The rate of draft rejections due to nutritional deficiencies indicates the importance to the Nation of measures designed to improve the diets of children.

School administrators and officials generally agree that a good school-lunch program is of tremendous importance in improving children's diets.

The trend in the consolidation of schools—since 1946 the number of public schools in the Nation has declined at an average rate of about 6,000 schools per year—means that many children travel long distances to school, leaving home early in the morning and returning late in the afternoon.

There also is a marked trend among schools to keep the children on the school premises during the noon hour, because of traffic hazards and to combat juvenile delinquency.

Both of these trends increase the need for the service of a good lunch at school.

A large number of women with children in school are now a part of the labor force, particularly in defense plants. Such children do not have an opportunity to get lunch at home.

Mr. MARSHALL. How does the program benefit agriculture?

Mr. TRAINER. The program places first emphasis on increasing the use of dairy products, meats and other protein foods and fruits and vegetables. These commodities are important to both good agricultural production and food-consumption patterns.

Most of the total program expenditure goes for food. This year total expenditures will be close to half a billion dollars of which over two-thirds will be spent for food.

Mr. MARSHALL. How does the program benefit the food industry, food wholesalers and retailers?

Mr. TRAINER. Because between 80 and 90 percent of the food used by schools is purchased locally, the school-lunch program provides local merchants with a substantial volume of business. When the local purchases of more than 50,000 schools are added together, the program represents a large market for food. This year schools will spend about $270 million for local purchases of food. In 1947, they spent $129 million.

Mr. MARSHALL. Has there been considerable expansion in the national school-lunch program since 1947?

Mr. TRAINER. The program has grown in terms of the actual number of children participating from 6 to 10 million children. However, it has not expanded in the sense that a larger percentage of school-children are participating.

School enrollment has been increasing rapidly since 1947. Thus, although the school-lunch program has grown, it is not reaching a larger percentage of the children attending school. The program has been reaching a little less than one-third of the children in recent years.

Mr. MARSHALL. What support is given to the school-lunch program by such groups as the PTA and local school boards?

Mr. TRAINER. The National Congress of Parents and Teachers has long supported the school-lunch program and many local programs got their start through the efforts of the PTA groups. Civic groups in many communities actively supported the program and donate funds to help meet the cost of operation. Schools participating in the national school-lunch program reported that this assistance amounted to $38 million in the 1951–52 school year.

To an increasing extent, local school boards are providing the funds for the operation of the lunch program. Such funds are used to hire supervisors, pay labor costs, purchase major equipment, and make up operating deficits.

Mr. MARSHALL. What share of total program costs is borne by the Federal Government?

Mr. TRAINER. Last year the Federal Government's total contribution in cash and donated foods represented less than a fourth of the total cost.

Mr. MARSHALL. How important are the surplus foods in the program?

Mr. TRAINER. Surplus foods are of great assistance to the school-lunch program. It is the largest single outlet for surplus food purchased under section 32 and schools are able to put such foods to very good use. Schools also are able to use a wide variety of surplus foods because they have the equipment needed for large-volume cooking. In recent years they have made very good use of a large amount of such foods as dry milk, dried and shell eggs, butter, fresh apples, and processed fruits and vegetables.

Mr. MARSHALL. Most of the school-lunch appropriation goes to the States in the form of cash grants to help schools buy food. How much money does this mean to the individual school?

Mr. TRAINER. This year nearly $67 million of the $83.4 million appropriated will go to the States in cash.

This money is paid out to the schools on the basis of a certain amount for each meal served. This year it will amount to a little less than 5 cents for each complete meal. In 1947 the rate was 9 cents in nearly all States.

Mr. MARSHALL. What part do the States actually play in the administration of the program?

Mr. TRAINER. Because the program operates on a grant-in-aid basis, the States play the primary part in its operation. In fact, the success of any State program depends basically on how well the State carries out its responsibilities.

State educational agencies determine which schools need assistance and at what rate; they review programs to see that they are meeting standards; and they assist schools with their operating problems.

It is the policy of the Department to encourage and assist States to assume increased responsibilities for the operation of the program.

EFFECTS OF PROPOSED DECREASE

Mr. ANDERSEN. I am a little disturbed personally about the proposed decrease. This committee, having back of it a great deal of experience in this matter, finally arrived at what we considered to be the proper level of Federal assistance for this particular program. I personally would not like to see it receive any substantial reductions through the years. I feel that the last place on earth that we should try to make such reductions, unless they can be very well substantiated, are reductions that would be made at the expense of the school children of America. I personally have been receiving floods of telegrams and letters protesting this revision in the budget. And I would like to ask you Mr. Trainer, what effect will the proposed decrease have?

Mr. TRAINER. I believe it will have two effects: In a number of communities it will be necessary to raise the price of the lunch to the children; that is, children will have to pay a little higher price because of the $8 million reduction, I believe, in cash——

Mr. BEACH. $8,280,000.

Mr. TRAINER. And I believe it will then necessitate a number of State departments of education whittling down again as many applications as they can so that the money available will go only to the most needy.

Mr. ANDERSEN. In that connection we on this subcommittee have withstood pressure to have this $83 million contribution raised to $100 or $120 million or more. As Mr. Whitten will recall, this $83 million has become well accepted by the subcommittee as a fair contribution by the Federal Government.

Mr. WHITTEN. And may I add that this whole program has such an appeal, and there is such great need to provide against a deficient diet for a large percentage of American children, that I, too, hate to see this reduction in the revised estimate. If it is closely examined it might well wind up with an even larger appropriation than heretofore.

Mr. ANDERSEN. Mr. Trainer, do you think there might be any possibility of the various States stepping in and making up this $8 million contribution?

Mr. TRAINER. From the standpoint of State appropriations?

Mr. ANDERSEN. Direct State appropriation?

Mr. TRAINER. I would have my doubts about it. This year, 45 of the State legislatures are now in session and a majority of them will adjourn before final action of Congress takes place. And 31 of them do not meet again for 2 years. So it is very unlikely that without having had any notice, without having had an opportunity to plan their legislative program, that they would have time this year to take that sort of action.

Mr. ANDERSEN. I know that that is the case in my own State of Minnesota, where the legislature is now in session and will not meet for another 2-year period.

Have you anything further to add, Mr. Gordon?

Mr. GORDON. No.

Mr. ANDERSEN. Thank you, gentlemen, that will be all on this item.

MARKETING SERVICES

SALARIES AND EXPENSES

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$11,466,000	$11,464,525	$11,600,000
Reimbursements from non-Federal sources	880,576	813,540	813,540
Reimbursements from other accounts:			
Commodity Credit Corporation	1,175,628	1,750,000	1,750,000
Other	350,006	425,810	425,810
Total available for obligation	13,872,210	14,453,875	14,589,350
Unobligated balance, estimated savings	−100,000		
Obligations incurred	13,772,210	14,453,875	14,589,350
Comparative transfer from "Salaries and expenses, Office of Administrator, Agricultural Research Administration	9,700	9,500	
Total obligations	13,781,910	14,463,375	14,589,350

NOTE.—Reimbursements from non-Federal sources above are from cooperating State, county, local, and private agricultural marketing agencies (5 U. S. C. 563, 564); from States, municipalities, persons, or licensed tobacco inspectors for services rendered (7 U. S. C. 511e); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. Market news service	$2,800,233	$2,847,000	$2,847,000
2. Inspection, grading and classing, and standardization	5,891,415	5,871,325	5,942,300
3. Improvement of marketing practices	401,008	422,000	422,000
4. Freight rates for farm products	167,263	175,000	175,000
5. Regulatory activities	2,115,781	2,158,700	2,213,700
6. Obligations under reimbursements from non-Federal sources	880,576	813,540	813,540
Total direct obligations	12,256,276	12,287,565	12,413,540
Obligations Payable Out of Reimbursements From Commodity Credit Corporation			
2. Inspection, grading and classing, and standardization	1,175,628	1,750,000	1,750,000
Obligations Payable Out of Reimbursements From Other Accounts			
1. Market news service	10,850	10,150	10,150
2. Inspection, grading and classing, and standardization	337,956	414,160	414,160
5. Regulatory activities	1,200	1,500	1,500
Total obligations payable out of reimbursements from other accounts	350,006	425,810	425,810
Total obligations	13,781,910	14,463,375	14,589,350

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	3,281	3,374	3,400
Full-time equivalent of all other positions	17	15	15
Average number of all employees	2,372	2,474	2,496
Average salaries and grades:			
General schedule grades:			
Average salary	$4,362	$4,383	$4,389
Average grade	GS–6.3	GS–6.2	GS–6.2
Crafts, protective, and custodial grades:			
Average salary	$2,453	$2,465	$2,477
Average grade	CPC–2.2	CPC–2.2	CPC–2.2
Personal service obligations:			
Permanent positions	$11,027,070	$11,591,888	$11,682,815
Part-time and temporary positions	47,116	40,893	40,800
Regular pay in excess of 52-week base	37,625	38,286	38,650
Payment above basic rates	48,810	49,553	49,500
Total personal service obligations	11,160,621	11,720,620	11,811,765
Direct Obligations			
01 Personal services	9,937,687	9,982,020	10,073,165
02 Travel	667,822	706,700	717,350
03 Transportation of things	160,033	171,200	171,400
04 Communication services	378,235	392,500	392,700
05 Rents and utility services	183,348	208,200	208,200
06 Printing and reproduction	142,112	123,900	123,900
07 Other contractual services	268,879	276,300	277,400
Services performed by other agencies	9,950	10,500	10,500
08 Supplies and materials	329,969	321,000	322,500
09 Equipment	159,577	73,900	94,575
13 Refunds, awards, and indemnities	285	155	155
15 Taxes and assessments	18,379	21,190	21,695
Total direct obligations	12,256,276	12,287,565	12,413,540

Obligations by objects—Continued

Object classification	1952 actual	1953 estimate	1954 estimate
Obligations Payable Out of Reimbursements From Commodity Credit Corporation			
01 Personal services	$938,449	$1,396,800	$1,396,800
02 Travel	74,674	127,200	127,200
03 Transportation of things	45,998	66,400	66,400
04 Communication services	12,013	14,700	14,700
05 Rents and utility services	23,400	32,000	32,000
06 Printing and reproduction	12,336	17,100	17,100
07 Other contractual services	7,682	10,700	10,700
08 Supplies and materials	38,461	53,100	53,100
09 Equipment	18,375	25,900	25,900
15 Taxes and assessments	4,240	6,100	6,100
Total obligations payable out of reimbursements from Commodity Credit Corporation	1,175,628	1,750,000	1,750,000
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	284,485	341,800	341,800
02 Travel	28,731	33,600	33,600
03 Transportation of things	2,752	6,900	6,900
04 Communication services	7,442	8,200	8,200
05 Rents and utility services	2,267	3,900	3,900
06 Printing and reproduction	14,267	15,200	15,200
07 Other contractual services	5,412	6,100	6,100
08 Supplies and materials	2,331	5,900	5,900
09 Equipment	1,104	2,700	2,700
15 Taxes and assessments	1,015	1,510	1,510
Total obligations payable out of reimbursements from other accounts	350,006	425,810	425,810
Total obligations	13,781,910	14,463,375	14,589,350

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$760,480	$928,643	$871,668
Adjustment in obligations of prior years	2,686		
Obligations incurred during the year	13,772,210	14,453,875	14,589,350
	14,535,376	15,382,518	15,461,018
Deduct:			
Reimbursable obligations	2,406,210	2,989,350	2,989,350
Unliquidated obligations, end of year	928,643	871,668	860,168
Total expenditures	11,200,523	11,521,500	11,611,500
Expenditures are distributed as follows:			
Out of current authorizations	10,470,396	10,633,700	10,778,200
Out of prior authorizations	730,127	887,800	833,300

Repayment to Commodity Credit Corporation

Amounts available for obligation

Appropriation or estimate (obligations incurred): 1954 ..... $818,505

Obligations by activities

For reimbursement to Commodity Credit Corporation for costs incurred in fiscal year 1952 for inspecting and grading tobacco and classing cotton: 1954 ..... $818,505

Obligations by objects

11 Grants, subsidies, and contributions: Repayment to Commodity Credit Corporation: 1954 ..... $818,505

Analysis of expenditures

Obligations incurred during the year (total expenditures out of current authorizations): 1954 ..... $818,505

Mr. ANDERSEN. We will take up now "Marketing services." We will insert in the record at this point pages 158 through 160, and 168 through 213 of the justifications, and a statement comparing the revised estimates with the original budget estimates.

(The pages referred to follow:)

SALARIES AND EXPENSES

PURPOSE STATEMENT

The programs under this appropriation include a number of activities to facilitate the orderly marketing of farm products. These activities are grouped into five functional categories: (1) Market News Service; (2) inspection, grading and classing, and standardization; (3) improvement of marketing practices; (4) freight rates for farm products; and (5) regulatory activities.

The Market News Service provides for the collection and dissemination of timely information on movements, supplies, demand, quality, condition, and prices of livestock, meats, wool, fruits, vegetables, honey, peanuts, dairy products, poultry products, grain, hay, feed, seed, rice, hops, beans, cotton and cottonseed, tobacco, naval stores, and inedible molasses.

Inspection, grading and classing, and standardization includes developing and establishing standards by which quality of agricultural commodities can be accurately judged; providing an impartial inspection, classing, and grading service for farmers, dealers, and others on the basis of these standards; and administration and enforcement of regulatory and criminal provisions of statutes that require the use of official United States standards for cotton, cotton linters, and grain sold in interstate commerce, and for tobacco sold at designated auction markets.

Improvement of market practices includes studies and the compilation and dissemination of information to improve marketing methods, practices, and processing techniques; and the development of basic principles for improvement of market and storage facilities.

Freight rates for farm products provides for assistance to farmers in obtaining and maintaining equitable transportation rates and services through the Department's participation in their behalf in formal cases before the Interstate Commerce Commission and in informal negotiations with carriers and groups of carriers.

Regulatory activities involve the administration of the following regulatory acts: Standard Container; United States Warehouse; Federal Seed; Packers and Stockyards; Tobacco Plant and Seed Exportation; Federal Insecticide, Fungicide and Rodenticide and the regulatory features of the Naval Stores Act. These laws are designed to protect farmers and others from financial loss or personal injury resulting from deceptive, careless and fraudulent marketing practices. The administration of each of these activities includes two or more of the following: (1) Licensing or registration; (2) supervision of operations of licensees; (3) collection and testing of samples; and (4) handling of violations.

Appropriated funds:	
Appropriated, 1953	$11,474,025
Revised budget estimate, 1954	11,474,000
Salaries and expenses	
Appropriation act, 1953	$11,465,000
Reduction pursuant to section 411	−475
Activities transferred in 1954 estimates from "Salaries and expenses, Office of Administrator, Agricultural Research Administration" for certain services at Agricultural Research Center	+9,500
Base for 1954	11,474,025
Revised budget estimate, 1954	11,474,000
Decrease (to round the estimate)	−25

Project statement

Project	1952	1953 (estimated)	Increase or decrease	1954 revised (estimated)
1. Market News Service	$2,800,233	$2,859,700	−$42,450	$2,817,250
(a) Cold-storage reports	(59,556)	(60,800)		(60,800)
(b) Cotton and cottonseed	(357,740)	(352,100)		(352,100)
(c) Dairy and poultry products	(350,957)	(342,800)	(−9,000)	(333,800)
(d) Fruits and vegetables	(749,066)	(760,900)	(−10,000)	(750,900)
(e) Grain, hay, feed, etc	(105,230)	(105,900)	(+3,000)	(108,900)
(f) Leased wire service	(240,415)	(258,300)	(+9,000)	(267,300)
(g) Livestock, meats, and wool	(730,699)	(758,800)	(−37,050)	(721,750)
(h) Molasses and sugarcane sirups	(17,853)	(21,200)	(+1,600)	(22,800)
(i) Naval stores	(18,412)	(19,000)		(19,000)
(j) Tobacco	(170,305)	(179,900)		(179,900)
2. Inspection, grading, and classing; and standardization	5,941,415	5,880,925	+63,775	5,944,700
(a) Cotton and cottonseed	(1,882,610)	(1,810,525)	(+246,475)	(2,057,000)
(b) Dairy and poultry products	(214,949)	(194,000)	(−4,000)	(190,000)
(c) Fruits and vegetables	(622,269)	(611,000)	(−175,000)	(436,000)
(d) Grain (includes United States Grain Standards Act)	(1,425,239)	(1,462,350)	(+2,000)	(1,464,350)
(e) Livestock, meats, and wool	(101,200)	(108,500)	(−15,000)	(93,500)
(f) Naval stores	(36,851)	(35,800)	(+7,500)	(43,300)
(g) Rice, hay, beans, etc	(95,477)	(96,250)		(96,250)
(h) Liquid sugar, sirups, and molasses	(17,031)	(16,500)	(+1,800)	(18,300)
(i) Tobacco	(1,545,789)	(1,546,000)		(1,546,000)
3. Improvement of marketing practices	401,008	404,900	+50	404,950
(a) Cotton and cottonseed	(222,525)	(228,000)		(228,000)
(b) Dairy and poultry products	(80,567)	(74,500)	(+2,950)	(77,450)
(c) Fruits and vegetables	(23,447)	(32,500)		(32,500)
(d) Livestock, meats, and wool	(10,194)	(9,900)	(−2,900)	(7,000)
(e) Market storage and transportation facilities	(64,275)	(60,000)		(60,000)
4. Freight rates for farm products	167,263	158,400	−10,000	148,400
5. Regulatory activities	2,115,781	2,170,100	−11,400	2,158,700
(a) Federal Seed Act	(259,078)	(246,000)		(246,000)
(b) Insecticide Act	(579,727)	(582,900)	(+600)	(583,500)
(c) Naval stores and tobacco export permits	(9,753)	(9,200)		(9,200)
(d) Packers and Stockyards Act	(653,856)	(679,000)	(−12,000)	(667,000)
(e) Standard Container Acts	(10,232)	(10,800)		(10,800)
(f) U. S. Warehouse Act	(603,135)	(642,200)		(642,200)
Unobligated balance	50,000			
Total available or estimate	11,475,700	11,474,025	−25	11,474,000
Transfer in 1954 estimates from "Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−9,700	−9,500		
Reduction pursuant to sec. 411		+475		
Total appropriation or estimate	11,466,000	11,465,000		

Status of Program

CURRENT ACTIVITIES

The activities under this appropriation contribute to the efficient and orderly marketing of the production of American agriculture and aid farmers in obtaining the maximum return for this production. These activities are divided into five functional categories as follows:

(1) Market News Service assists farmers in obtaining equitable returns for their products and aids in orderly marketing and prevention of waste resulting from local surpluses by providing timely and reliable market news on all major agricultural commodities. This is accomplished through the collection of market information at permanent and seasonal offices maintained in more than 100 cities and towns and the dissemination of this information by mail, press, radio, telephone, telegraph, bulletin boards, and trade and farm publications.

(2) Inspection, grading and classing, and standardization activities assist farmers in obtaining returns for their products commensurate with quality. This is accomplished by (1) establishing United States standards for agricultural commodites or developing other methods that will accurately describe their quality and condition; (2) developing the equipment and methods by which these standards or other methods for evaluating quality may most effectively be applied; (3) providing an impartial inspection, grading, testing, and classing service for producers, dealers and others on the basis of these standards or other method of quality evaluation; (4) broadening the knowledge, acceptance and use of such standards or other method of quality evaluation by producers, dealers, manufacturers, consumers and others through demonstrations, training courses, color charts and photographs, plaster models, preparation and loan or sale of copies of

standards, etc.; and (5) administration and enforcement of regulatory and criminal provisions of statutes that require the use of official United States standards for cotton, cotton linters, and grain sold in interstate commerce and for tobacco sold at designated auction markets.

(3) Improvement of marketing practices includes studies and the compilation and dissemination of information to improve marketing methods and practices and processing techniques, and the development of basic principles for improvement of market and storage facilities.

(4) Freight rates for farm products activities assist in obtaining and maintaining equitable transportation rates and services on farm products through the Department's participation in cases before the Interstate Commerce Commission and informal negotiations with carriers and groups of carriers.

(5) Regulatory activities involve the administration of the Standard Container, United States Warehouse, Federal Seed, Packers and Stockyards, Tobacco Plant and Seed Exportation, Federal Insecticide, Fungicide and Rodenticide Acts, and the regulatory features of the Naval Stores Act. These acts regulate various marketing activities, and the administration of each includes two or more of the following: (1) Licensing or registration, (2) supervision of operations of licensees, (3) collection and testing of samples, and (4) handling of violations.

REVENUE

The total cost of these services during 1952 was over $24 million. Fees and other revenue collected covered over half of this expense. The statutes governing the collection of this revenue require that certain fees, receipts from sales of samples, and so forth, be deposited to miscellaneous receipts of the Treasury while other revenue is used to finance the activity involved. These statutes also provide for the establishment of trust funds in connection with the inspection and grading of agricultural commodities. Fees are deposited to these trust funds and the inspection and grading expenses are paid from them.

RECENT PROGRESS AND TRENDS

I. MARKET NEWS SERVICE

A. Market news activity by commodity group, fiscal year 1952

Commodity group	Number of field offices	Number of buyers and sellers interviewed	Number of radio stations broadcasting reports	Number of television stations broadcasting reports	Mimeographed releases to growers, shippers, and others	Number on mailing list
Cold-storage report	None	[1] 1,800	[2]	None	[3] 48,000	4,000
Cotton and cottonseed:						
Year round	34					
Seasonal	2					
Total	36	10,996	465	4	1,719,916	55,111
Dairy and poultry products	31	1,400	860	8	11,650,000	50,000
Fruits and vegetables:						
Year round	23					
Seasonal	27					
Total	50	3,600	563	4	10,313,200	71,700
Grain, feeds, and related products	6	1,350	592	10	1,894,228	63,500
Livestock, meats and wool	37	3,700	1,199	16	4,744,620	26,757
Molasses and sugarcane sirups	None	20	None	None	136,500	2,625
Naval stores	1	55	12	None	145,000	600
Tobacco:						
Year round	2					
Seasonal	8					
Total	10	[4] 1,000	98	None	1,119,432	5,500

[1] Information supplied by operators of cold-storage warehouses.

[2] Cold-storage data made available to 1,200 to 1,400 radio stations. Highlights from these reports are broadcast at the discretion of the station operators. The report in its entirety is not broadcast as are the others.

[3] In addition to these releases dealing solely with cold-storage holdings, the cold-storage information is included in many of the commodity market news releases which give it a circulation of about 336,000 copies.

[4] Reflects only quarterly stocks report. Information for other market news reports obtained from summarizing data on sales tickets attached to lots of tobacco at auction markets.

B. Additions, changes, and specific improvements in service during 1952

1. A weekly report on inedible molasses (cane blackstrap, beet, and citrus molasses and hydrol), initiated in 1951 on an experimental basis under Research and Marketing Act, was placed on a permanent basis under marketing services in 1952.

This report carries prices, supply, and demand conditions at 18 major United States port terminals, prices at 6 major inland feed-mixing centers, beet molasses prices and market conditions at 6 major consuming points, citrus molasses prices and market conditions at 10 shipping points in Florida, and periodic information on Cuban molasses prices, production, and shipments. During 1952 coverage was extended to include 11 points for citrus molasses, coverage of beet molasses in all major producing areas, and prices and supply conditions for hydrol (corn molasses) at 4 production points.

2. Initiated an annual report showing estimates of varieties of cotton planted. The report will be prepared and issued just prior to the harvesting season to supply users of American cotton with this much-needed information.

3. Grain Market News Office at Chicago closed and mailing lists transferred to Kansas City and Minneapolis.

4. Instituted a program for reporting supplies and distribution of wheat in the Pacific Northwest.

5. Establishment of maximum ceilings on wholesale meat prices greatly reduced the daily price fluctuations. The daily meat trade reports at New York, Chicago, and Philadelphia were therefore suspended and three reporters were assigned to standardization and grading activities. One reporter at New York observed daily trading and prepared report for leased wire and radio dissemination. A weekly review was prepared at each office for distribution to mailing lists.

6. Price reporting of ready-to-cook poultry was begun at Cincinnati, Los Angeles, and Pittsburgh as were reports of f. o. b. and jobbing prices of eggs at Baltimore, and prices of frozen eggs and receipts of dairy and poultry products at Pittsburgh.

7. The fruit and vegetable office at Fort Worth, Tex., was moved to Dallas which has become a larger and more important terminal market during the past few years.

8. The fruit and vegetable seasonal office at Martinsburg, W. Va., usually operated from September 1 to December 15 was operated from September 1, 1951, through March 31, 1952. The States of Maryland, Virginia, and West Virginia contributed 40 percent of the total cost of the additional 3½ months.

II. INSPECTION, GRADING AND CLASSING, AND STANDARDIZATION

A. Volume of service—Volume of inspections and gradings by commodity groups, fiscal years 1950–52

Commodity group	Fiscal year 1950	Fiscal year 1951	Fiscal year 1952
Fresh fruits and vegetables (car or carlot equivalent):			
At receiving markets	76,709	93,153	105,991
At shipping points	1,165,795	1,249,061	1,151,642
Total carlots	1,242,504	1,342,214	1,257,633
Processed fuits and vegetables:			
Canned products—cases	104,647,000	118,412,127	113,282,846
Frozen, dried and miscellaneous—pounds	1,215,538,071	1,108,308,818	1,543,283,468
Marine products, canned—cases	135,660	1,061,247	617,146
Dairy products:			
Butter, cheese, dry skim milk and miscellaneous products—pounds	1,650,879,659	1,518,972,305	764,633,534
Evaporated milk—cases	1,406,315	1,038,223	1,354,652
Poultry products:			
Shell eggs—cases	14,272,824	14,831,642	15,000,000
Processed eggs—pounds	797,169,847	648,632,982	340,000,000
Poultry—do	901,636,462	1,057,547,295	1,375,748,400
Poultry processed under U. S. Department of Agriculture sanitary standards—do	(1)	(1)	1,460,000,000
Grain and related products:			
Grain—bushels	4,036,356,000	4,650,822,000	4,811,939,000
Rice, beans and peas—100 pound bags	31,048,238	33,256,594	35,653,994
Hay—tons	54,452	59,235	64,837
Hops—bales	231,026	275,853	256,000
Seed verification and referification—pounds	85,290,000	62,082,000	79,730,033
Miscellaneous commodities (certificates issued)	12,715	9,465	6,649
Meat and meat products:			
Beef—pounds	2,163,378,000	3,198,081,000	8,403,056,000
Veal and calf—do	102,014,000	163,907,000	976,390,000
Lamb and mutton—do	114,371,000	152,059,000	574,939,000
Miscellaneous—do	270,696,000	185,195,000	139,220,000
Total, meat and meat products—do	2,650,459,000	3,699,242,000	10,093,605,000
Wool (samples tested)	79	24	
Cottonseed (samples analyzed)	159,135	88,623	125,109
Cotton (total classifications)	15,778,313	8,555,675	12,576,914
Tobacco (pounds inspected at auction markets)	1,956,000,000	2,020,000,000	2,356,000,000
Naval stores:			
Rosin (total 520-pound drum equivalent)	810,475	570,643	625,270
Turpentine (total gallon equivalent)	8,335,021	8,921,055	8,880,261
Cotton linters (total classifications)	214,500	177,045	105,712

[1] Service initiated July 1, 1951.

B. Financing

1. Funds available

The work under this project relating to cotton and cottonseed, grain, and tobacco and the standardization activities for all commodity groups are financed largely from the appropriation. For other commodities, fees collected for the service are used to pay a large part of the expenses of the inspection work.

The Agricultural Appropriation Act for 1952 authorized advances each year from the Commodity Credit Corporation as needed, in addition to other funds available, to assure ability to perform the classing of cotton and the grading of tobacco without charge to producers. The Corporation is to be reimbursed through subsequent appropriations to the extent necessary for costs of classing and grading commodities not placed under commodity loan.

2. Revenue and net cost of service

Certain items of revenue other than the earnings used to defray expenses are deposited to "Miscellaneous receipts" of the Treasury. The net cost of this project in 1952 to the taxpayer was about $4.5 million or 24 percent of the total cost of the program.

C. Inspection rates

Inspection rates and charges for copies of standards are changed from time to time as necessary in order to provide revenue more nearly commensurate with cost.

1. The regulations covering cotton fiber and spinning tests under the Cotton Testing Service Act of 1941 were amended effective January 1, 1952, to make pro-

vision for new tests developed, eliminate tests no longer used and to adjust fees to more nearly meet the cost of performing the service. Fees now range from 25 cents to $55 depending on the test.

2. Revisions in the rates for inspection of naval stores effective February 8, 1952, reflected an average increase of about 50 percent.

3. Fees for rice inspection were revised effective July 10, 1951, and for miscellaneous commodities and products effective July 1, 1951.

4. Fee rates for inspection of fresh fruits and vegetables at terminal markets and all processed fruits and vegetables were increased from $3 to $3.60 per hour, effective July 16, 1951, and July 23, 1951, respectively, with comparable revisions in unit rates. Some cooperative agreements have been amended during the year to change shipping point fees from 20 cents per car to 5 percent of the fees collected by the cooperating agency.

5. Rates for the grading and inspection of dairy and poultry products were increased from $3 to $3.60 per hour effective July 1, 1951, with comparable increases in unit and contract rates. On April 1, 1952, further increases ranging from 15 to 33 percent were made, principally in the per vat rates for grading butter and cheese, carlot sampling fees for dry and evaporated milk, and fees for laboratory analyses for certain factors.

6. Regulations governing the distribution of practical forms of wool standards and wool-top standards were amended effective June 20, 1952, to discontinue the sale of partial sets of the standards and to provide for an increase in the charges for the official standards.

D. Recent developments in inspection and grading and classing activities in specific commodity fields

1. Cotton and cottonseed

The 1951 United States cotton crop of approximately 15.1 million running bales was the eighth largest on record. This resulted in a substantial increase in the volume of cotton classing compared with 1951. Nearly 10 million samples, or about 65 percent of total United States ginnings, were classed for producer members of cotton quality improvement groups organized under the Smith-Doxey amendment.

Cotton classifications by Federal employees and licensed classers (federally supervised) for fiscal years 1948–52

	Number of classifications made, fiscal years—				
	1948	1949	1950	1951	1952
COTTON					
Classifications by Federal employees:					
Grade and Staple Statistics Act	381,931	494,756	215,155	298,755	379,672
Smith-Doxey (amendment) Act	4,309,581	8,066,734	10,355,955	5,215,406	9,843,643
Cotton Standards Act:					
Public classing service	1,005,096	1,240,357	1,405,737	666,775	338,073
Mutual Security Agency (reimbursable)		325,401	630,011	405,222	139,377
Federal penitentiary (reimbursable)	12,633	18,528	35,586	23,636	19,292
Other			45,787	32,738	31,426
Cotton Futures Act	429,731	244,652	464,398	191,182	433,297
Subtotal	6,138,972	10,390,428	13,132,629	6,833,714	11,184,780
Classification by licensed classers (supervised by Federal classers): Cotton Standards Act (includes bale classifications and samples classed in sorting cotton into lots by grades and staple)	4,230,849	5,582,470	2,645,684	1,721,961	1,392,134
Total, cotton classifications	10,369,821	15,972,898	15,778,313	8,555,675	12,576,914
COTTON LINTERS					
Classifications by:					
Federal employees			1,500	6,839	10,712
Licensed classers			213,000	170,206	95,000
Total, cotton linters classifications			214,500	177,045	105,712

Growth of classification service for grower members of cotton improvement groups (Smith-Doxey amendment)

Fiscal year	Crop year	Members	Samples classed	Percentage of crop classified	Fiscal year	Crop year	Members	Samples classed	Percentage of crop classified
1939	1938	18,589	84,592	0.7	1946	1945	342,900	2,905,437	32.8
1940	1939	64,399	265,090	2.3	1947	1946	343,704	2,580,273	30.2
1941	1940	128,216	1,530,764	12.4	1948	1947	346,500	4,309,581	37.3
1942	1941	278,782	2,520,083	24.0	1949	1948	371,061	8,066,734	55.3
1943	1942	281,100	3,567,095	28.7	1950	1949	497,064	10,355,955	65.1
1944	1943	281,495	3,350,622	30.1	1951	1950	507,873	5,215,406	52.6
1945	1944	318,700	4,069,117	34.1	1952	1951	495,391	9,843,643	65.3

Cotton fiber testing service.— The 54,477 fiber and spinning tests performed, and fees of $46,508 collected for deposit to the Treasury during 1952 exceeded that of any previous year.

Cottonseed inspection.— Cottonseed inspection certificates were issued by 23 licensed chemists on about 65 to 75 percent of the crop last year.

2. Dairy and poultry products

(*a*) On July 1, 1951, a new phase of poultry inspection and grading was instituted under regulations requiring that all New York dressed poultry, if to be graded or if to move into eviscerating plants for further processing, must be killed and dressed in plants approved by the Department as meeting the sanitary requirements of the regulations governing the inspection and grading of poultry and edible products thereof for condition and wholesomeness. Similar regulations also became effective in connection with the grading and processing of rabbits.

(*b*) Inspection of poultry for wholesomeness and condition expanded rapidly, and at the end of 1952 over 200 plants were listed as officially approved to receive this service. This represented a nearly 100 percent increase over the previous year.

(*c*) The volume of dairy products graded reflected a substantial decline in 1952 due not only to the limited-government purchases of cheddar cheese and nonfat dry milk solids, but also to a slight decline in production and a strong demand with relatively high prices for most dairy products.

3. Fruits and vegetables

(*a*) The 1,257,633 carlot equivalents of fresh fruits and vegetables inspected in 1952 were only 84,581 less than the record high of 1951. All types of inspection increased or remained at approximately the same level as last year except commercial inspections at shipping point. While inspections for commodities other than potatoes increased there was a sharp reduction in the inspection of potatoes due to the short crop, the discontinuance of price support, and the imposition of price ceilings on a grade basis without mandatory inspection.

(*b*) Terminal-market offices were opened at Savannah, Ga.; Portland, Maine, and San Juan, P. R.

(*c*) The volume of inspection on raw products for processing as well as the areas served continued to increase. This service has become increasingly important each year and especially in the postwar period when the freezing of fruits and vegetables has made such phenomenal growth.

(*d*) The use of wholesale grades on consumer-size packages materially increased, especially on potatoes and citrus fruits, as the shift from 100-pound sacks for potatoes and 1⅑-bushel boxes for citrus fruits to smaller containers was accelerated.

(*e*) There was a substantial increase over 1951 in the volume of dried and frozen products inspected due to increased production of these products and to an increase in the number of plants approved to pack under continuous inspection.

(*f*) Continuous factory inspection was approved for 110 companies with 140 plants at the close of the year compared with 104 companies with 134 plants in 1951. This expansion again contributed to a further decrease in 1952 inspections of canned fruits and vegetables.

4. United States Grain Standards Act:

(*a*) *Coverage.*—During 1952, original inspection of grain was available at 151 established inspection points and 101 additional designated points. There were 508 inspectors licensed under the act. Appeal services were available at 35 district offices and 7 suboffices.

(*b*) *Inspections and appeals.*—(1) Inspectors, licensed and supervised under the act, performed nearly 2.5 million inspections of grain—a new high record.

(2) Nearly 100,000 appeals were decided by the district offices, which was 26 percent more than last year and by far the largest number ever handled. The 1,444 Board appeals were 59 percent more than were handled in 1951. The unusually large movement of grain for export again contributed to the large number of inspections and appeals.

(3) The generally inferior quality of the 1951 crops of corn, wheat, and barley and unfavorable weather during harvest resulted in heavy demands on the inspection and appeal service and contributed to many difficult and unusual inspection problems. Conditions such as were encountered in 1952 make it very difficult to maintain intermarket uniformity in the grade of grain.

(*a*) The corn crop from certain areas was of very poor quality. Test weight per bushel, moisture content, and damaged kernels were the principal grading factors on corn from these areas and in many cases each of these factors caused the corn to be graded Sample grade. The prevailing system of discounts in the grain trade required that all these factors be determined on each lot. This resulted in considerable inspection difficulty by both the inspectors and supervisors since uniformity in determinations is much more difficult to achieve in such low quality grain.

(*b*) The major portion of the Hard Red Winter wheat crop in the Southwest was harvested during wet weather. In many cases the wheat was stored containing too much moisture and as a result, germ damage, musty odor, and out-of-condition grain developed to a much greater extent than in any previous crop. Inspection was consequently slowed down considerably and uniformity in the application of the standards suffered on account of the difficulty in applying the damage factor. In the Northwestern States the harvesting conditions were such that considerable sprout damage developed in Hard Red Spring wheat and Durum wheat. As this was stored, much of it became out-of-condition.

(*c*) Some of the barley in the northwestern area was affected in the same way as wheat. As a result it was necessary to analyze much of the barley for damaged kernels, a factor which is not ordinarily found in this crop.

5. Livestock, meats, and wool

Meat grading.—The 10 billion pounds of meat of all types, classes, and grades officially graded in 1952 was three times the volume graded in the previous year because grading of beef, veal, calf, and lamb and mutton was required under OPS regulations. The organization and management of the meat-grading service were thoroughly surveyed in order to adjust the scope of the service. On June 30, 1952 there were 530 meat graders and 67 supervisors engaged in carrying out the program.

6. Naval stores

(*a*) Inspection and certification of rosin totaled 625,270 drum equivalents compared with 570,643 in 1951. The increased activity was due primarily to greater loan activity. Loan rosin is packed in drums and inspection is mandatory.

(*b*) There was a decline in the volume of inspection of turpentine in small containers. This probably reflected the reduced demand on the retail level during the winter and early spring months due primarily to sharp curtailment in consignment sales by packers. About 707,000 gallons of turpentine were inspected upon being loaded into tankers for export. This was only about one-third of the volume in 1951 which can be attributed primarily to lack of dollar exchange.

(*c*) Volume of naval stores inspected, fiscal years 1947–52:

Item	1947	1948	1949	1950	1951	1952
Rosin:						
Drums (520 pounds)	167,825	438,320	874,925	762,958	491,916	566,298
Bags (100 pounds)	25,894	170,538	171,648	209,583	266,435	238,579
Tank cars	33	87	15	35	159	75
Total drum equivalent of rosin	178,085	485,036	911,654	810,475	570,643	625,270
Turpentine:						
Drums (55 gallons)	747	2,952	2,121	10,201	18,630	25,253
Tank cars	65	174	185	197	141	255
Tank steamers (gallons)					2,140,176	707,000
Gallons in miscellaneous small containers	52,935	2,696,633	4,674,758	6,197,966	4,970,229	4,744,260
Total gallon equivalent of turpentine	614,020	4,250,993	6,271,413	8,335,021	8,981,055	8,880,261

7. Rice, hay, beans, peas, seed, hops, and miscellaneous agricultural commodities

(*a*) The total number of certificates issued was 73,787 compared with 68,754 in 1951. The volume of beans and peas inspected was about 30 percent less and the inspection of miscellaneous commodities (mostly flour) for compliance with contract specifications was smaller. The quantity of rice inspected, however, was the largest on record, or about 50 percent greater than in 1951, due to the exceptionally large crop and the demand for rice by the Armed Forces and requirements in occupied oriental countries.

(*b*) About 11,500 samples of rough rice were inspected for grade and milling yield as a result of the introduction of the revised standards which embody a new principle of determining milling yield.

(*c*) About 20 percent more alfalfa seed was verified as to origin than in 1951. The total verification included 3½ million pounds of Canadian alfalfa seed which was verified as to origin for the first year.

(*d*) In November 1951 an inspection service was inaugurated to cover agricultural and vegetable seeds in foreign commerce. Instructions and procedures for the conduct of this service were published.

8. Sirups, liquid sugar, and molasses

(*a*) A publication entitled "United States Grades for Sugarcane Sirup and the Federal Grading Services" was prepared and distributed to producers and distributors of this product. The publication briefly describes sugarcane sirup grades and gives some information as to the available types of inspection services and their approximate costs. A similar publication is in process for edible sugarcane molasses.

(*b*) An inspection handbook for sugarcane sirup was completed and issued and similar handbooks are in process for edible molasses and refiners' sirups. Many producers and distributors were contacted in order to acquaint them with the alternative methods and procedures of using the service. Producers and distributors have requested that this service be continued.

9. Tobacco

All of the 170 tobacco auction markets were federally inspected in 1952 Although this was the same number covered in 1951 the quantity of tobacco inspected increased nearly 350 million pounds due to increased production in all types but principally burley, flue-cured, and Maryland.

(*a*) *Number of markets and volume of tobacco inspected*

Item	Fiscal years							
	1937 [1]	1945	1947	1948	1949	1950	1951	1952
Number of markets	136	145	152	153	156	169	170	170
Number of designated markets	20	141	147	151	152	158	168	170
Number of markets inspected	20	110	147	153	155	169	170	170
Number of sets of buyers [2]	26	147	206	217	218	228	230	229
Tobacco inspected at auction markets (million pounds)	169	1,478	2,273	2,045	1,973	1,956	2,020	2,356
Tobacco inspected as a percent of total pounds sold at auction	15.1	77.1	99.2	98.8	99.9+	100	100	100

[1] First year of operation under act of 1935.
[2] A set of tobacco graders (averaging 3) is required for each set of buyers.

(b) Volume of inspection of tobacco by class for fiscal year 1952

Class of tobacco	Number of auction markets designated and inspected	Sets of buyers	Pounds sold	Pounds inspected	Percent inspected
Auction markets:					
Flue cured	88	140	1,574,527,822	1,574,527,822	100
Fire cured	10	13	55,402,603	55,402,603	100
Dark-air cured	10	6	31,555,580	31,555,580	100
Burley	58	63	649,102,597	649,102,597	100
Maryland	4	5	45,498,670	45,498,670	100
Total	170	229	2,356,087,272	2,356,087,272	100
Cooperative marketing associations				270,654,000	
Grand total				2,626,741,272	

E. Standardization and related activities

United States standards provide a common language to describe quality of products being bought and sold. They must be revised and kept up-to-date as significant changes occur in production, merchandising practices, and uses of the products. Visual aids are an essential part of this work to assure as much uniformity as possible in the application of the standards.

Examples of specific standardization activities

(*a*) Revised grade standards for American Egyptian cotton were promulgated July 1951 effective August 1952 and revised grade standards for American upland cotton were promulgated August 1952 effective August 1953. Detailed laboratory measurements were made of color and foreign material content of all cottons used in the revised standards.

(*b*) The Department announced its intention to amend the cottonseed grading system to provide for the inclusion of linters on an optional basis as a factor in the grading of cottonseed. A linter factor has long been recognized as necessary improvement in the grading system.

(*c*) The standards for grades of both carcass and slaughter barrows and gilts were proposed for official adoption in the October 6, 1951, issue of the Federal Register. Based on an analysis of the comments received, the grade standards were officially promulgated on September 12, 1952.

(*d*) Standards for sugarcane and refiners' sirups were officially promulgated and standards for edible sugarcane molasses were finalized and in process of issuance at the close of the year. Since July 1, 1952, standards for edible sugarcane molasses have been officially promulgated and tentative standards for liquid sugar have been issued for consideration and comment by all interested parties.

(*e*) A complete revision of the official standard grades of flue-cured tobacco was prepared for the Secretary's approval; the tentative standard grades for Puerto Rican cigar filler were completely revised and reissued, and the tentative standard grades for the Pennsylvania and Ohio cigar fillers were revised.

(*f*) Increasing competition from substitute materials and continuing search for new uses for rosin have brought about a need for developing new and more useful tests other than for color which is now the only official standard. Accurate methods have been developed for determining acid and saponification numbers of rosin, excess volatile oil and dissolved water in liquid naval stores. Preliminary work is under way looking to the establishment of standard specifications for the three kinds of rosin—gun, wood, and tall oil—and for dipentene and several types of pine oil.

(*g*) The effective United States standards for beans were revised effective November 1951 to permit a percentage of clean-cut weevil-bored beans in the class Mung beans and also to permit an additional 5 percent of beans that blend in the classes yellow eye or old-fashioned yellow-eye beans.

(*h*) As a result of studies on the relationship between electrical properties and moisture content of grain, two revised calibration tables were issued effective June 1952 for use in testing hard red winter wheats and hard red spring wheats and white wheats (western production). These changes should give a more accurate moisture reading for these types of wheat.

(*i*) New United States standards for Florida grapefruit, oranges, and tangerines have been prepared separating these standards from the United States standards for these citrus fruits. This was necessary because changing cultural and marketing practices caused the grades committee of the Florida Citrus Commission to recommend certain changes that were not adaptable to other citrus-producing areas.

(*j*) Revision of the United States standards for grades of nonfat dry milk solids is an illustration of standards work in the field of dairy products. The tentative standards in effect since 1943 were revised on the basis of studies and experience in grading large quantities of that product acquired under dairy price support programs and for the commercial trade. The proposed revised standards were distributed to State agencies and to producers and handlers of dairy products for review and comment. After further revision, taking into account the advice and comments received, the revised standards were promulgated.

(*k*) Work has been continued on the further perfecting of artificial daylighting for use in the classing of cotton. This has included the development of specifications for artificial daylighting installations for this purpose. A large number of artificial lighting installations are being made in the classing facilities of the cotton branch as well as in facilities used by private firms.

(*l*) Extensive studies have been made to establish the relationship of the various factors of quality in raw cotton to the performance of the cotton in textile processing and to the quality of manufactured cotton products.

III. IMPROVEMENT OF MARKETING PRACTICES

A. Bulletins and handbooks

1. Farmers' Bulletin 2030, Marketing Farm Poultry, was released as an aid to producers in preparing and selling their live and processed poultry to the best possible advantage.

2. Agricultural Handbook No. 25, Recommended Specifications for Standard Packs, Containers, and Packaging Materials for Poultry and Poultry Products was issued in July. These specifications were prepared for use not only by packers processors, and distributors, but also by educational agencies and institutions and as a guide for container manufacturers.

3. A bulletin tentatively entitled Packaging Ready-to-Cook Poultry is being prepared. This publication will cover in some detail the packaging of ready-to-cook poultry in commercial and large farm plants, and will include floor plans for packaging areas and cover the operations involved in such packaging.

4. Work in process on other bulletins and similar materials includes:
   (*a*) Poultry: Buying Guides for Consumers.
   (*b*) Marketing Farm Eggs.
   (*c*) U. S. Specifications for Standard Shell Egg Packs and Packages.

B. Criteria for establishing shipping point fruit and vegetable markets

Work was completed during the year on this study undertaken in cooperation with Farm Credit Administration to determine the factors that affect the success of and to develop criteria or guides for the establishment of new shipping point fruit and vegetable markets.

A report, Farmers' Produce Markets in the United States, part III, Shipping Point Fruit and Vegetable Markets, was published. The report included suggested criteria for establishing new markets of this type.

C. Factors to be considered in locating, planning, and operating country elevators

Work was completed during the year and a report was published setting forth the factors that should be considered in locating, planning, and operating country elevators for the handling of grain. This report sets forth the facts which any area considering the construction of a country elevator should bear in mind in determining whether there is a need for such an elevator, in deciding upon the proper storage capacity of the elevator, in choosing the best location for it, and in determining the kind of facilities needed and the best way to arrange them on the site. The report has been well received and there is a great demand for it not only from those relatively new producing areas that have not had grain elevators in the past but also from many of the older grain producing areas where people are considering the construction of additional facilities.

D. Improved layouts, designs, and methods of operating Texas livestock auction markets

In recent years auction markets have become increasingly important in the marketing of Texas livestock. The rapid growth of this type of facility in many cases has resulted in inefficient facilities, equipment, and methods of operation.

Field work was begun in March 1951 on a cooperative study with the Texas Agricultural Experiment Station of livestock auction markets in Texas: (1) To determine the practices, methods of operation, and design of facilities which would increase the efficiency of auction markets; and (2) to establish the economic factors which determine the success or failure of auction markets. The work to date has been pointed toward the first objective. Ten auction markets were selected for intensive study based on total volume handled, species handled, sales days, and geographical location within the State. The operations within each market were studied in detail. Time studies were made to determine the labor requirements with different methods, in different types of facilities, for performing specific operations and cycles of operations. Flow diagrams and process charts were made to point out bottlenecks, duplication of work, and unnecessary operations. Market personnel, buyers, and consignors were interviewed for suggestions concerning the correction of defects of present markets. Outstanding operations and facilities in other markets were also studied.

These field studies have pointed up the major defects of present livestock auction markets in Texas, and provide criteria for designing a modern and efficient facility, and establishing the proper crew size and arrangement for the performance of various operations required in moving livestock through the market.

A joint report, now being reviewed for publication, describes and lists defects of present market facilities and methods, offers suggestions for correcting those defects, and contains plans for a modern, efficient facility which will permit a smooth and steady flow of livestock through the various marketing operations. The plans for an improved facility provide for expansion to meet the needs of increasing volumes. Upon completion of this phase of the study, work will be concentrated on the second project objective.

E. Principles for planning egg assembly facilities

In April 1951 a study of egg assembly plants was initiated on a nationwide basis to assemble data and information on handling methods, plant operations, and layouts of facilities. Plant studies have been made in New Jersey, Minnesota, Wisconsin, Iowa, Pennsylvania, and Texas with the assistance of extension poultry and egg marketing specialists and/or representatives of the State departments of agriculture.

Information on plant layout, flow diagrams, equipment inventory, and arrangement, sequence of operations, and plant productivity have been obtained on 28 egg assembly plants. In some instances, photographs of specialized equipment, innovations in handling methods, or plant designs, were taken to provide a visual means of illustrating and recommending improved handling methods. In eight of the plants studied it has been possible to make specific recommendations to the plant manager for the improvement of handling methods. In three instances requests were made for recommendations on the handling of eggs in proposed plant additions.

Two reports will be published which will cover: (1) Methods and equipment in assembly plants for handling, candling, and packing eggs, and (2) egg-marketing facilities for producing areas.

F. Planning flue-cured tobacco-market facilities

This study was made to develop principles that should be followed in planning the kinds of facilities and equipment needed to provide for the most efficient handling of tobacco.

During the past year visits were made to selected markets in the flue-cured tobacco areas of Florida, Georgia, South Carolina, North Carolina, and Virginia for the purpose of studying tobacco-handling operations and to obtain information and data from warehousemen, trade officials, and marketing specialists of the experiment stations and State departments of agriculture. A preliminary draft of a report incorporating the analysis of the data from all markets as well as observations and ideas from the industry and Government officials has been completed. Publication of the final report is expected during the next fiscal year.

30505—53—pt. 4——16

G. Bulk palletized containers

The feasibility of the use of large bulk palletized containers for the transportation of certain agricultural products is a subject that has been recommended for study by several of the industry advisory committees as a means of saving labor in loading, unloading, and handling commodities through warehouses to retail stores. Research to determine the general characteristics of a bulk palletized container that would be necessary or desirable in order that it might be successful in use was undertaken during the year. The factors studied included: (1) Kinds of materials—wood, veneer, steel, aluminum, etc., (2) costs of containers made from various materials, (3) types and construction of containers most likely to be adaptable to the efficient use of materials-handling equipment, (4) the dimensions of various types of containers best suited to the use of materials-handling equipment, (5) dimensions and construction of containers best suited to transportation in railroad refrigerator cars and motortrucks from the standpoints of protection of the commodity from injury and utilization of space in the vehicle, (6) weight of containers in relation to the weight of product contained, and (7) adaptability of large bulk containers to use in packing plants and for efficient packing operations.

H. Transportation characteristics of grain traffic

Special study has been given during the year to the basic characteristics of the transportation of grain moving by railroad. The principal points considered in this research are: (1) Analyses of the volume of production and sales of principal grains, (2) the location of producing areas and markets, (3) the effects of location, volume, and seasonality of production and movement on boxcar supply and distribution for grain transportation, and (4) traffic patterns and length of haul for various grains, and their effect upon shortages of carrier equipment for transporting grain. Another purpose of the study is to determine the fundamental transportation characteristics of the grains in relation to changing marketing patterns and to obtain knowledge of how these changes in marketing may be met and aided by improving carrier equipment, facilities, and practices in the transportation of grain. A report on this study is being prepared.

I. Criteria for planning a wholesale frozen-food distribution plant

Although the expansion of the frozen-food industry in recent years has brought about decreasing costs in packing and freezing operations because of fuller utilization of equipment and labor, frozen-food distribution costs have continued to climb. The two principal reasons for continued increases in costs are: (1) The use by wholesale distributors of facilities that, in most cases, are entirely inadequate for handling current volumes, and (2) the use of purely manual labor for performing a number of jobs or operations which could be performed more efficiently by use of machines, provided adequate and properly designed facilities were available. Because of the industry's limited experience and the lack of research, wholesale frozen-food distributors have not had available adequate know-how or data on the planning of efficient facility layouts and designs or the operation of the wholesale frozen-food plants. This situation has discouraged the construction of needed facilities. To meet industry needs, studies of frozen-food wholesaling operations were begun in 1949. Work plans for such studies called first for study and general publication, to be followed by more specific studies and reports pinpointing and answering more fully some of the problems treated in the general report.

The objective of the first report was to provide wholesale frozen-food distributors and research workers with a composite picture of the advantages and disadvantages of different methods of operations and provide guidelines for future research. The majority of the data for developing criteria with respect to planning a wholesale frozen-food distribution plant were gathered prior to April 1951. The analysis of these data and preparation of a report, and the development of necessary supplemental data, were completed in March 1952 and the report published in June 1952. This project was conducted in cooperation with the National Wholesale Frozen Food Distributors Association and covered all sections of the United States. This report, entitled "Planning a Wholesale Frozen Food Distribution Plant," contains information which should be of assistance to distributors in planning new facilities, or remodeling or expanding old structures; and in organizing order assembly operations for greater efficiency. Factors that should be considered by wholesalers in choosing between public and private warehouses for the location of operations, designing efficient order assembly layouts, selecting and using suitable materials-handling equipment, and selecting desirable

wholesale plant locations are discussed in the report. Recommended layouts for the various components of wholesale distribution plants, types of equipment that might be used, and arrangement of merchandise in storage are included. At the close of the 1952 fiscal year, plans were being developed for additional studies that should provide more specific answers to problems or methods not covered in the report.

J. Regional marketing research

Assistance was given to State agricultural experiment stations in connection with regional marketing research projects dealing with fruits and vegetables, dairy products, poultry products, livestock, meat, and cotton. This included grading services, where required, and consultation and coordination in those phases of the projects where experience and knowledge of marketing gained in regular work under this appropriation was needed by the experiment stations. Examples of cooperation included:

1. Work with North Central Committee on Dairy Marketing Research in preparation of a report of findings obtained from a survey of a number of creameries in the North Central region concerning their butter pricing and marketing practices.

2. Advisory assistance to several States in studies of market areas, prices, and merchandising policies, and consumer demand for poultry and eggs.

3. Technical assistance to the North Central Marketing Technical Committee in the regional study of marketing slaughter livestock by carcass weight and grade.

4. Cooperation with New York Agricultural Experiment Station in work with six supermarkets in Syracuse area to determine consumer acceptance of experimental lots of potatoes graded according to specific gravity, and designated as bakers, boilers, and unsorted. In each store grade ratings were made on all lots of potatoes by inspectors supplied by the Department.

5. Inspection services were supplied in evaluating the quality of test lots of fruits and vegetables used in experiments by, principally, the Maryland Agricultural Experiment Station with design and development of instruments to measure quality of fruits and vegetables.

6. Technical assistance to research workers of the agricultural experiment stations in various cotton-producing States in planning studies of the costs of handling cottonseed at gins, methods, and practices of marketing cottonseed of improved varieties for planting and reviewing and guiding work on other phases of this project through participation in meetings of the project committee.

K. Research on cotton and cottonseed

1. *Determination of fiber and spinning qualities of pure variety cottons produced annually in cotton improvement areas.*—Information is provided each year with respect to the fiber characteristics and spinning performance of the principal varieties of cotton produced each year throughout the Cotton Belt. Extensive use is made of this information by cotton merchants and mills for locating sources of cotton having the characteristics desired for specific uses. Producers of desirable types of cotton are also aided in developing market outlets for their product. Complete fiber and spinning tests were made on samples of early-season, mid-season, and late-season cotton from 112 areas throughout the Cotton Belt during the 1951–52 cotton season. Reports on the test results were published at approximately monthly intervals throughout the harvesting season. A summary for the entire cotton season was published near the close of the season.

2. *Textile mill practices and preferences in the procurement of raw cotton of types and qualities required for the manufacture of specific products.*—Data on procurement practices employed during the 1950–51 cotton season were assembled from mills representative of the domestic cotton industry. The results of the study were published under the title "Practices of Textile Manufacturers in the Purchase of Cotton."

This study reflects the methods currently being used by cotton textile mills in procuring cotton of the qualities desired for various uses and provides a measure of the changes in mill procurement practices that have occurred since a similar study was made applicable to the 1944–45 cotton season. This project was terminated in 1952 but will probably be reactivated after a lapse of a few years in order to bring the data up to date and indicate trends in procurement practices of domestic cotton mills.

3. *Evaluation of costs and quality of ginning services being performed by gins in specific areas.*—These studies are made to provide: (1) Cotton producers a basis for the selection of ginning services that will aid them in obtaining maximum quality and market value for their products; and (2) ginners in the respective areas

a basis for so equipping their gins as to assure maximum quality services consistent with costs and other economic considerations. Detailed studies were made of representative gins employing various types and combinations of gin equipment and operating under various conditions with respect to volume of ginning and types of harvesting employed. The quality of ginning services was evaluated in each instance on the basis of laboratory analyses and tests of seed cotton delivered by producers, and of ginned lint and seed turned out by the gin. These studies were in progress during 1952 in the Piedmont area of Georgia, the Pecos and Rio Grande areas of New Mexico and west Texas, and central Arizona. The studies in Georgia and in Arizona were conducted in cooperation with the agricultural experiment stations of the respective States. Similar studies in south Louisiana and in the Yazoo-Mississippi Delta area of Mississippi were completed and published in 1952.

4. *Cottonseed prices and price-quality relationships.*—Data relating to farm and oil mill prices of cottonseed, qualities of cottonseed marketed and values of cottonseed products have been assembled both from primary and secondary sources covering a period of 12 years, to ascertain the factors determining cottonseed prices at various stages of marketing and the extent to which prices paid to producers reflect differences in quality of cottonseed marketed. These data have been analyzed and the results have been published in Cottonseed Prices, a preliminary study. With this material as a background, detailed data covering typical marketing areas will be assembled during the next fiscal year as a basis for ascertaining the extent to which differences in qualities of cottonseed from individual gins are reflected in prices paid to producers.

5. *Gin stand research, improving moting, quality and economic phases.*—Work on this project during the year was directed at evaluating: (1) The operating performance and effect on the fiber of a new-type gin rib designed for use with the reciprocleaner to impart a combing action to the ends of the fibers as they are held in the gin-saw teeth, and (2) the comparative moting and cleaning performance of 2-bar and 3-bar reciprocleaner units in relation to saw cylinder and jet-type lint cleaners. The study was conducted jointly with the Bureau of Plant Industry, Soils, and Agricultural Engineering, with that agency having primary responsibility for the mechanical engineering phases. The tests conducted showed some advantage of the 3-bar reciprocleaner over the 2-bar unit from the standpoint of grade improvement and minimizing loss of weight. Although the reciprocleaner was not as effective as lint cleaners from the standpoint of grade improvement, the initial cost per unit is only about one-seventh of that of lint cleaners.

The reciprocleaner is greatly superior in moting and cleaning performance to standard moting systems now in use. The newly designated ribs did not show satisfactory performance but will be modified and further tested. Preliminary results of this study were published in May 1952 under the title "Gin Stand Operation" in the magazine "Cotton Gin and Oil Mill Press". Units of the reciprocleaner are being installed in a commercial gin in the Mississippi Delta where studies of the performance of the equipment will be made during the 1952–53 cotton season. Further laboratory work will be done on perfecting and testing the redesigned gin ribs.

IV. FREIGHT RATES FOR FARM PRODUCTS

A. Actions taken during fiscal year 1952

1. The Department participated in 48 formal litigation actions before the Interstate Commerce Commission, carried on 25 informal negotiations with carriers and carrier associations and participated in 5 other cases.

2. The various agricultural commodities affected by the above actions are as follows:

Type of action:	*Number of actions*
Cotton and cottonseed	8
Dairy and poultry products	10
Fruits and vegetables	11
Grain and grain products	18
Livestock and meats	8
Wool and mohair	4
General motor-carrier rates	6
General rail rates	6
General water rates	2
Fertilizers and fertilizer material	5
Total	78

3. The number of cases and actions in which the Department participated declined somewhat in 1952 due primarily to the fact that rail freight rates were in a state of flux most of the year because of pending requests by the railroads for further general increases. The uncertainty among agricultural interests as to where the freight rate level would leave them economically and when the absolute maximum would be reached, deterred both them and the Department from initiating actions which would best await a settling-down period.

B. Benefits to producers

1. The rail freight rate increase granted in August 1951 was raised to a total of 15 percent in April 1952. Four Department representatives who introduced evidence and exhibits to indicate the present economic status of the farmer and the railroads, were in some measure, responsible for specific maxima in cents per hundred pounds being applied to certain specific agricultural commodities. These maxima were less than the full measure of the increases authorized.

2. In 1948, the Commission found to be reasonable certain charges proposed by railroads serving New York and Philadelphia for unloading fresh fruits and vegetables on piers maintained for the delivery of the commodities. Believing such charges unlawful, the Department has continued its attempts to have them eliminated. On May 7, 1952, an order was issued reducing these charges approximately 40 percent. Cooperation with producers and consumers continues in an effort to have the charges eliminated entirely.

3. Certain orders of the ICC permitting great freedom in the routing of grain shipments by rail were under investigation by the Commission as to whether they should be modified or cancelled. On the premise that agricultural products, especially grain and grain products must have the benefit of a liberal and flexible system of routing, the Department assisted the railroads in this proceeding which involved some 225 applications for relief from section 4 of the Interstate Commerce Act. A favorable determination by the Commission continued the relief sought.

4. The Department supported a large barge line operating on the inland waterways in its application for the extension of its certificate to handle general and packaged freight to and from all major ports on the Mississippi, Missouri, Illinois, Ohio, Cumberland, Tennessee, Monongahela, Allegheny, Kanawha Rivers and the intracoastal canals. This, if decided favorably, should provide more low-cost transportation to the farming communities in position to use it.

5. The several regional associations of motor common carriers have proposed to follow the rail lead in increasing rates and charges. The Department has consistently maintained that rates of transportation agencies should be based on the economic position of the agency and not solely on the positions of competing agencies and that operating costs and revenues should be the major deciding factors. Therefore, attempts to raise motor rates are being opposed, subject to showings of higher costs of operation. Because of the small staff, participation by the Department will have to be limited to the most important cases.

6. As a result of the testimony given by a Department witness in a general rail-rate increase case, the ICC proposed certain changes in its accounting rules for the amortization of emergency carrier facilities. On argument, in which the Department was the only party to support the Commission, the new rule was approved. As a result, operating expenses charged by rail carriers are reduced by 150 to 300 million dollars per year. This increases net railway operating income and reduces the necessity of rate increases.

7. With the inauguration of the uniform freight classification and the uniform class-rate scale on May 30, 1952, the rail carriers began to take steps to cancel ratings based on exceptions to the all consolidated freight classification. Most agricultural products were reclassified in the new classification and the new ratings in the majority of instances produce increases in freight charges. In each such instance, it will be necessary to request suspension and ask the ICC to decide whether the new charges are reasonable. This procedure will result in dozens of suspensions and hearings and will necessitate maximum use of time and personnel if we are to properly protect the producers' interests.

V. REGULATORY ACTIVITIES

A. Federal Seed Act

1. Import actions

(*a*) Import activities continued at a high level in 1952.

(*b*) Approximately 98 million pounds of agricultural and vegetable seeds valued at over $20 million were admitted from foreign countries. Principal importations were:

	Pounds		*Pounds*
Crimson clover	13, 000, 000	Orchardgrass	5, 000, 000
Alfalfa	6, 000, 000	Spinach	2, 000, 000
Red clover	6, 000, 000		

(*c*) *Import activities, fiscal years 1946–52*

Activity	1946	1947	1948	1949	1950	1951	1952
Total import actions [1]	3, 736	5, 791	5, 774	8, 295	7, 761	8, 005	8, 045
Lots offered for importation	3, 448	5, 399	5, 481	7, 224	7, 218	7, 692	7, 727
Lots permitted entry as offered	3, 063	4, 858	5, 099	6, 370	6, 775	7, 155	7, 186
Lots denied entry as offered	385	541	382	854	443	537	541
Kinds of seed imported	83	101	114	114	105	112	111
Pounds of seed offered for importation (millions)	70. 5	69. 1	66. 7	107. 9	102. 2	103. 9	97. 8

[1] Includes action taken on lots rejected once and acted on again after cleaning, etc.

2. Interstate violations

(*a*) Total actions under the interstate provisions of the act increased 22 percent largely because of a 100 percent increase in the number of recommendations for prosecution in Federal court. Most of these violations involve false labeling as to origin of alfalfa seed, the seizure of which occurred in 1951. A total of 855 cases were reported for further investigation. Investigations completed involved shipments or advertising which originated in 42 States.

(*b*) Violations in interstate commerce continue to be reported for investigation in numbers greater than the staff is able to investigate. Only about one-third of the apparent violations detected by State inspectors were reported to Federal authorities for investigation.

(*c*) *Interstate investigations and actions, fiscal years 1946–52*

Item	1946	1947	1948	1949	1950	1951	1952
Cases for investigation:							
Total to be investigated	785	1, 199	1, 482	1, 367	1, 128	1, 290	1, 236
Investigations completed	623	768	864	1, 034	693	734	770
Pending at end of year	162	431	618	333	435	556	466
Administrative actions:							
No action warranted	96	160	236	322	174	195	231
Warnings issued	381	539	566	660	475	418	447
Cited for hearings	79	94	76	103	46	114	119
Seizures recommended	9	4	13	11	12	58	32
Criminal actions recommended [1]	44 (11)	61 (24)	34 (14)	39 (13)	42 (18)	39 (17)	177 (34)
Court actions:							
Criminal actions terminated	9	16	19	14	13	12	15
Criminal actions pending at end of year	12	16	11	10	15	20	39
Seizure actions terminated	3	6	6	16	12	27	58
Seizure actions pending at end of year	5	3	9	4	4	35	9

[1] Often several alleged violations are combined into 1 court action. The number of court actions involved is shown in parentheses.

3. Seed testing

(*a*) (a) Since nearly one-half of the total seed importations are offered through the port of New York, a new seed-testing laboratory was established at New Brunswick, N. J., in order to service the area located nearest the center of the greatest import activity. (b) The testing of seed offered for importation in the Southeast which for several years had been performed at a remote location, was

resumed at Montgomery, Ala., with additions to the seed-testing staff. (c) Variety tests on alfalfa at three locations demonstrated that alfalfa seed misrepresented in 1951 to be of northern origin actually consisted of nonwinter, hardy, fast-growing varieties commonly grown and adapted to the Southern States. (d) Testing of seed to determine correctness of labeling as to variety included plantings of 98 varieties of hybrid corn at 10 locations. (e) The name and description of all the varieties of hybrid onions have been obtained as the varieties were being introduced and will be published in an effort to avoid the confusion of variety names experienced with hybrid corn. (f) Proposed new international rules of seed testing were distributed to members of a committee of the International Seed Testing Association to serve as a vehicle for more uniformity of seed testing in foreign commerce.

(*b*) Volume of seed-testing work, fiscal years 1946–52:

Activity	1946	1947	1948	1949	1950	1951	1952
Seed samples tested in connection with:							
Imports (includes check tests)	3,688	5,590	5,643	7,506	7,696	7,790	7,988
Interstate shipments	5,057	8,603	4,353	2,530	1,934	3,354	2,950
Variety tests	2,127	2,121	1,868	1,027	1,111	322	456
Miscellaneous	1,130	1,021	1,109	1,217	694	3,753	1,509
Total tests	12,002	17,335	12,973	12,280	11,435	15,219	12,903

B. Insecticide, Fungicide, and Rodenticide Act

1. Registration and testing

During the year sufficient information was obtained to justify registration of many new chemicals for control of such important pests as the alfalfa weevil, a number of insects attacking fruits, soil insects attacking sugarcane, corn, and a number of root crops, cotton insects and rats in grain and cereal storage places. Crop damage continues to occur as a result of contamination of insecticides with 2,4-D weed killer. Large numbers of red squill and rodenticide preparations continued to be in violation of the act and there were numerous cases where poisons were short weight or did not have the strength claimed by the manufacturer.

Special study has been directed toward the development of more reliable test methods to determine the germicidal properties of economic poisons which employ the use of many new synthetic surface-active chemicals. The most recent methods for evaluating seed-testing chemicals are being adopted.

Apprehension that chronic poisoning of humans might occur from continued use of chlordane formulations in the household resulted in issuance of regulations restricting its use (interpretation 19). Lindane vaporizers and insect-repellent candles manufactured in increasing numbers were tested and found to be totally ineffective for the purpose intended. Court action againt them was initiated.

Original and supplemental registrations of economic poisons during the year totaled 7,614, bringing the total number of registrations since the act became effective to 44,100.

Registration activities, fiscal years 1948–1952

Activity	1948 [1]	1949	1950	1951	1952
Submissions received [2]	20,832	20,780	20,203	16,609	17,275
Carryover from previous year		3,025	429	378	269
Total submissions requiring action	20,832	23,805	20,632	16,987	17,544
Registrations:					
Original registrations	9,020	7,802	4,007	3,422	2,761
Supplemental registrations	1,572	3,901	3,193	3,569	4,853
Total registrations	10,592	11,703	7,200	6,991	7,614
Letters of criticism written	9,687	16,064	14,900	13,804	14,721
Pending at end of year	3,025	429	378	269	304

[1] Registration work was started Oct. 2, 1947.

[2] Includes original submission, submissions of corrected labeling and supplemental submissions in instances where the originally registered products were in some manner changed after registration.

2. Enforcement

Examination of samples of economic poisons increased only 1 percent from 1951 to a total of 2,085 of which 1,034 (49.6 percent) were from products which had not previously appeared in interstate commerce. Of these, 470 were found to be so seriously misbranded, adulterated, or otherwise in violation of the law as to warrant citation or seizure. Seizure proceedings were initiated on 71 shipments, including 37 different economic poisons and prosecution was recommended in 10 shipments against 4 different manufacturers.

Enforcement activities, fiscal years 1947–52

Activity	1947	1948	1949	1950	1951	1952
Samples examined:						
Not previously sampled	977	448	676	1,204	1,212	1,034
Old products	1,378	528	876	1,017	850	1,051
Total	2,355	976	1,552	2,221	2,062	2,085
Violations (mislabeled and/or adulterated products)	635	199	223	570	560	572
Actions taken on violations:						
Warnings	229	24	9	91	116	102
Citations	357	156	197	438	413	399
Seizures	49	18	30	67	54	71
Prosecutions	19	11	5	12	20	10

C. Naval stores and tobacco-export permits

1. Naval stores

During the past fiscal year, 186 samples were collected for purposes of checking condition, quality, purity, and proper label description. No willful or fraudulent infractions of the act were encountered but there were 23 instances in which some phase of the act or regulations thereunder were not fully observed by vendors. These applied chiefly to the sale of various kinds of turpentine, but there were also some cases of misgraded rosin sold. Objectionable wording of labels on cans of turpentine and petroleum-base paint thinners were also found. Formal citation was not necessary since corrective action was taken through letter notices.

2. Tobacco-export permits

44 certificates were issued during the year for the exportation of tobacco seeds for experimental purposes.

D. Packers and Stockyards Act

1. Posting, registration, and licensing

(*a*) At the beginning of the fiscal year 1952, there were 333 stockyards posted under the act. During the year jurisdictional investigations were made of approximately 40 stockyards located in various States. Eleven stockyards located in States where posting had previously been completed were posted and 17 stockyards were deposted, making a total of 327 stockyards posted at the close of the fiscal year. During the year, 63 additional packers were found to be subject to the act and were added to the list, but 102 firms were deleted thereby decreasing the number of packers under supervision from 1,950 to 1,911. Action was taken on 1,689 tariffs, supplements, and clearing agreements and at the end of the year there were 164 formal rate orders and informal rate agreements in effect.

(*b*) Posting, registration, and licensing activities as of June 30, fiscal years 1947–52.

Activity	1947	1948	1949	1950	1951	1952
Number of yards posted	201	207	206	308	333	327
Market agencies and dealers registered	4,652	4,972	4,462	4,639	4,775	4,963
Packers under supervision	1,871	2,123	2,148	1,997	1,950	1,911
Poultry dealers licensed	1,619	1,603	1,608	1,576	1,563	1,426

2. Supervision and enforcement

(*a*). (a) Improvement of the general adequacy and quality of livestock scales supervised under the act was accomplished by requiring the replacement of obsolete and inadequate equipment. Scales found to be inaccurate were adjusted or serviced immediately to weigh within allowable tolerance or were withdrawn from service pending corrective action; (b) the accounts of 157 registrants at various terminal and auction markets were audited during the year. As conditions warranted, district supervisors developed additional information on 35 cases where evidence of violations were found; 25 of these cases involved such serious violations that recommendations of formal order of inquiry were made. In order to obtain more effective administration of the act, greater responsibility has been placed in field supervisors by having them handle more rate and trade practice investigations.

(*b*) *Analysis of formal proceedings, fiscal years 1947–52*

Activity	1947	1948	1949	1950	1951	1952
Cases pending first of year	23	59	55	23	36	78
New cases	64	16	29	65	116	26
Cases reopened	38	16	16	18	3	33
Total cases requiring action	125	91	100	106	155	137
Cases disposed of	66	36	77	70	77	83
Cases pending end of year	59	55	23	36	78	54

(*c*) Bonds on file amounted to over $39 million representing an increase over the previous year of over $1 million. In view of increased economic pressures occurring in the livestock and meat packing industries, action was taken to require increased minimum surety bonds so that producers would have additional protection in case of insolvency or defaults by firms handling livestock.

(*d*) During the year numerous formal proceedings resulting from the Chicago weighing investigations were conducted. Public hearings were held at Chicago in 45 of the 56 cases against dealers involved in the Chicago weighing fraud. The remaining 11 cases were settled, prior to hearings, by the registrants filing admission of having bribed weighmasters, with the dealers involved agreeing to accept suspensions ranging in some cases up to 2 years. Additional hearings were also conducted at Kansas City and St. Louis, Mo., and Abilene, Tex.

E. Standard Container Acts

1. Tests made and samples obtained

(a) There were approximately 190 factories making or equipped to make containers at the close of business on June 30, 1952, as compared with 195 in 1951. During the past fiscal year tests were made of sample containers obtained from 100 factories. A total of 293 items (1,925 samples) were examined during the year. Of this number 69 or 23.5 percent required correction. During the year corrections of 58 items were accomplished and certificates of approval issued in 32 cases.

F. United States Warehouse Act

1. Licensed warehouses

The total storage capacity in licensed warehouses was greatly increased in 1952 although the number of warehouses licensed under the act decreased to 1,434 on June 30, 1952—74 less than a year ago. Of the 1,434 licensed warehouses 880 were for grain, 471 for cotton, and the remaining 83 for various other commodities. During the year 179 original examinations of warehouses were made, that is, examinations of warehouses which were to be licensed for the first time or for the purpose of bringing in additional space under licenses which were already in effect.

A general tightening up in the issuing of licenses has been developed. Before a license is issued or even an inspection authorized a thorough check is made to determine whether other Federal offices have had unsatisfactory relations with the warehouseman in question, and from such facts it is determined if an inspection should be made. This has resulted in several instances of refusal to make an examination. Other important amendments in the cotton and grain regulations have increased inspection and license fees and change of net worth and bonding requirements for warehousemen.

2. Licensed warehouse capacity

(*a*) *Grain.*—The storage capacity for grain increased from 449,382,822 bushels in 1951 to 459,706,100 in 1952, despite a decrease of 36 in the number of licensed grain warehouses during the same period. On the Atlantic seaboard more warehousemen applied for licenses under the act than during the previous year. Because grain warehousing on a public storage basis is relatively new in this area, and also because of the high moisture content of much of the grain harvested in the Atlantic seaboard States, many unusual problems were encountered. While the quantity of grain is not large in comparison with grain areas generally, the problems nevertheless are acute.

(*b*) *Cotton.*—The storage capacity for cotton also increased in 1952 (from 11,011,056 bales to 11,017,436 bales) while the number of licensed warehouses decreased from 484 to 471.

(*c*) *Beans.*—There has been a substantial decrease in the licensed capacity of dry-bean warehouses, due to the necessity for suspending the licenses of a number of warehousemen who were not operating in conformity with the act.

3. Inspection of licensed warehouses

(*a*) During the year there were 3,840 inspections made of licensed warehouses which was about 200 or 5 percent below last year. Inspections of cotton warehouses averaged between 2.5 and 3.0 only because of very low stocks of cotton in warehouses during the first and fourth quarters of the year. An average of slightly over two inspections was maintained for grain warehouses but somewhat at the expense of the quality and thoroughness of the inspections. Steps have been taken to assure complete and thorough inspections for all warehouses in 1953 irrespective of the number performed.

Considerable attention was given to improving methods of inspection with a view to detecting irregularities. Additional auditing procedures were developed which it is believed will be more effective in detecting shortages. Closer attention is also being given to see that the warehouseman's stocks by grade are in line with his obligations by grade whether covered by receipts or not.

(*b*) In the cotton area one round was made of all cotton warehouses for the purpose of testing the accuracy of scales and also checking the accuracy of the weighers. In some areas an additional check was made during the heavy receiving season on the accuracy of work performed by the weighers. In the course of each round of examinations a number of scales are always found which are out of adjustment and some are in such condition that they must be condemned.

4. Violations

The past year witnessed the most, and some of the most serious, irregularities since the passage of the Warehouse Act, particularly in the field of grain warehousing. These violations ranged all the way from improper care of the commodity while in storage to actual conversion of the commodity to the warehouseman's own use. Some examples were:

In Colorado a warehouseman who operated at four different points, with another house in New Mexico, became the subject of considerable investigation and it was found that he had converted substantial quantities of beans to his own use while warehouse receipts were outstanding. This warehouseman was placed in receivership and has since been indicted and prosecution is pending in the courts.

In Georgia a cotton merchant was found to have changed the weights on 50 warehouse receipts issued by a licensed warehouseman, raising the weight in each case by 5 pounds. These receipts were sold in due course. When the forgeries were discovered an investigation was made and it was found that the changes were made by the cotton merchant. The case was referred to the Department of Justice for prosecution, and shortly thereafter the alleged violator committed suicide. About the same time it had also been found that he had done some manipulating of receipts issued by another warehouseman.

In a few cases, 2 or 3 warehousemen had been using depositors' grain for their own purposes. In other cases, false receipts were issued and given to banks as security for loans. In such cases licenses were suspended and in others court action is pending.

COMPARISON OF ORIGINAL AND REVISED ESTIMATES, 1954

	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Market news service	$2,859,700	$2,847,000	$2,817,250	−$29,750
(a) Cold-storage reports	(60,800)	(60,800)	(60,800)	
(b) Cotton and cottonseed	(352,100)	(346,100)	(352,100)	(+6,000)
(c) Dairy and poultry products	(342,800)	(342,800)	(333,800)	(−9,000)
(d) Fruits and vegetables	(760,900)	(760,900)	(750,900)	(−10,000)
(e) Grain, hay, feed, etc	(105,900)	(105,900)	(108,900)	(+3,000)
(f) Leased wire service	(258,300)	(258,300)	(267,300)	(+9,000)
(g) Livestock, meats, and wool	(758,800)	(752,100)	(721,750)	(−30,350)
(h) Molasses and sugarcane sirups	(21,200)	(21,200)	(22,800)	(+1,600)
(i) Naval stores	(19,000)	(19,000)	(19,000	
(j) Tobacco	(179,900)	(179,900)	(179,900)	
2. Inspection, grading, and classing, and standardization	5,880,925	5,942,300	5,944,700	+2,400
(a) Cotton and cottonseed	(1,810,525)	(1,724,925)	(2,057,000)	(+332,075)
(b) Dairy and poultry products	(194,000)	(200,000)	(190,000)	(−10,000)
(c) Fruits and vegetables	(611,000)	(676,000)	(436,000)	(−240,000)
(d) Grain (includes United States Grain Standards Act)	(1,462,350)	(1,529,325)	(1,464,350)	(−64,975)
(e) Livestock, meats, and wool	(108,500)	(118,500)	(93,500)	(−25,000)
(f) Naval stores	(35,800)	(34,800)	(43,300)	(+8,500)
(g) Rice, beans, hay, etc	(96,250)	(96,250)	(96,250)	
(h) Liquid sugar, sirups and molasses	(16,500)	(16,500)	(18,300)	(+1,800)
(i) Tobacco	(1,546,000)	(1,546,000)	(1,546,000)	
3. Improvement of marketing practices	404,900	422,000	404,950	−17,050
(a) Cotton and cottonseed	(228,000)	(228,000)	(228,000)	
(b) Dairy and poultry products	(74,500)	(77,500)	(77,450)	(−50)
(c) Fruits and vegetables	(32,500)	(42,500)	(32,500)	(−10,000)
(d) Livestock, meats, and wool	(9,900)	(14,000)	(7,000)	(−7,000)
(e) Market storage and transportation facilities	(60,000)	(60,000)	(60,000)	
4. Freight rates for farm products	158,400	175,000	148,400	−26,600
5. Regulatory activities	2,170,100	2,213,700	2,158,700	−55,000
(a) Federal Seed Act	(246,000)	(246,000)	(246,000)	
(b) Insecticide Act	(582,900)	(580,500)	(583,500)	(+3,000)
(c) Naval stores	(9,200)	(9,200)	(9,200)	
(d) Packers and Stockyards Act	(679,000)	(695,000)	(667,000)	(−28,000)
(e) Standard Container Acts	(10,800)	(10,800)	(10,800)	
(f) United States Warehouse Act	(642,200)	(672,200)	(642,200)	(−30,000)
Total available or estimate	11,474,025	11,600,000	11,474,000	−126,000
Transfer in 1954 estimates from "Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−9,500			
Reduction pursuant to sec. 411	+475			
Total appropriation or estimate	11,465,000			

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

(1) The proposed reduction of $126,000 in this item below the original budget estimate consists of—

(a) A decrease of $25 to round the estimate (reflected in the project "Inspection, grading and classing, and standardization"), and

(b) the elimination of the proposed increase of $125,975 which included $70,975 under the project "Inspection, grading and classing, and standardization" for more effective supervision of the greatly increased volume of grain inspections by licensees under the Grain Standards Act, and $55,000 under the project "Regulatory activities" for strengthening supervision of operations at stockyards presently posted under the Packers and Stockyard Act, and licensing additional warehouse space and providing more adequate supervision of all warehouses licensed under the United States Warehouse Act.

All other changes reflected in the revised estimate are proposed adjustments between projects. The net savings from all of these adjustments are budgeted for the classing of cotton in order to reduce the advance of funds from Commodity Credit Corporation which will be needed to meet the anticipated demand for this service in 1954. This action will result in a reduction in the subsequent appropriation which will be needed to repay CCC for that part of the advance used to class cotton which does not go under loan. The net savings which are proposed to be used for this purpose include:

A. A decrease of $29,750 in the project "Market news service" resulting principally from the proposed closing of three livestock market news offices. Adjustments in this activity are consistent with the long-range plan for financing market news services from local funds in cases where the services are of local significance only.

B. A net reduction of $258,700 under the project "Inspection, grading and classing, and standardization" for all work projects other than cotton and cottonseed and the elimination of the proposed increase on grain standards (see (1) (b) above). This will be accomplished principally by: (1) curtailing studies of quality factors as a basis for developing standards for grades of dairy products; (2) using all the fees collected from the inspection of fresh fruits and vegetables to pay costs of rendering the service; and (3) suspension of some of the research studies on wool in order to provide assistance urgently needed in connection with grading and appraisal of the large volume of wool placed under price support. Additional savings in this project are anticipated as a result of the transfer of wool functions to the Boston commodity office.

C. A reduction of $17,050 in the project Improvement of Marketing Practices resulting from delays in the initiation of regional research studies which are planned and conducted by the State experiment stations and in which the Department cooperates. The revised estimate for this project is based on the continuation of all regional research as well as all other work at about the 1953 level.

D. A reduction of $26,000 in the project Freight Rates for Farm Products which results from difficulty in recruiting qualified personnel to replace specialists required to handle the assignments under the project. The revised estimate provides for continuation of the present staff in 1954.

Repayment to Commodity Credit Corporation

PURPOSE STATEMENT

The Department of Agriculture Appropriation Act for 1952 authorized advances from the Commodity Credit Corporation to appropriations available for classing and grading agricultural commodities without charge to producers in order to insure a prompt, efficient service. Such advances must be repaid from subsequent appropriations.

This item reflects funds for reimbursing Commodity Credit Corporation (including interest) so that the Corporation may be made whole for funds advanced which were in excess of the cost of classing cotton and grading tobacco which were placed under price support.

Appropriated funds:	
Appropriated, 1953	
Revised budget estimate, 1954	$768,505

Repayment to Commodity Credit Corporation

Appropriation Act, 1953, and base for 1954	
Revised budget estimate, 1954	$768,505
Increase	+768,505

Project statement

Project	1952	1953 (estimated)	Increase	1954 revised (estimated)
Reimbursement to Commodity Credit Corporation	.....	.....	+$768,505	$768,505

General Statement

Mr. Andersen. Mr. Gordon, do you have a general statement you would like to make on this item?

Mr. Gordon. In my opening statement, Mr. Chairman, I covered briefly each of the various items we are to discuss this morning, and I had not contemplated making any additional formal statement.

We do have a very brief statement prepared which provides in condensed form the information upon the item, and we would be glad to furnish that and to answer any questions you may have in mind.

Mr. ANDERSEN. Mr. Gordon, we will be glad to have you place your statement in the record at this point.

(The statement referred to follows:)

PRODUCTION AND MARKETING ADMINISTRATION, SALARIES AND EXPENSES, MARKETING SERVICES

Summary statement

	Appropriation	Reimbursements and trust funds	Total
I. Estimate, 1954:			
Original:			
Amount	$11,600,000	$13,889,350	$25,489,350
Man-years	1,968.1	2,450.2	4,418.3
Revised:			
Amount	$11,474,000	[1] $13,332,250	$24,806,250
Man-years	1,946.1	2,382.2	4,328.3

[1] Does not include about $1,500,000 to be deposited to "Miscellaneous receipts."

II. *Purpose.*—To facilitate the orderly marketing of farm products through providing unbiased market news inspection, grading, and classing services to interested parties in order that they may buy and sell agricultural produce most profitably; developing standards of quality for use as a basis upon which to furnish the foregoing services; developing means of improving marketing practices; obtaining equitable freight rates for farm products and regulating certain phases of agricultural marketing for the protection of producers, handlers, dealers and consumers.

III. *Operations.*—The programs are carried on through five functional projects:

1. Market news service.
2. Inspection, grading and classing, and standardization.
3. Improvement of marketing practices.
4. Freight rates for farm products.
5. Regulatory activities.

(See attached sheets for details.)

IV. *Revenue.*—The principal source of revenue under this item is fees for inspection and grading commodities, on a permissive basis. These funds are used to finance the applicable activity. In addition, fees for other grading and classing as well as receipts from sale of samples further increase the revenue realized under this item. The latter fees and receipts are deposited to the general fund of the Treasury. A third source of income in connection with these activities is provided by cooperative financing of services for mutual benefit to Federal, State, and local agencies. Total revenues collected in fiscal year 1952 covered almost 60 percent of the total cost of the service.

V. *Pertinent workload data.*—(See individual projects.)

Financial project, Market News Service

	Appropriation	Reimbursement and trust	Total
I. Estimate, 1954:			
Original:			
Amount	$2,847,000	$115,600	$2,962,600
Man-years	501.2	17.2	518.4
Revised:			
Amount	$2,817,250	$116,500	$2,933,750
Man-years	496.0	16.9	512.9

II. *Purpose.*—To provide timely and reliable information on supply, movement, and price of agricultural commodities to (*a*) producers for determining where and when to sell and at what prices; (*b*) dealers and processors for determining when they can buy and at what price, and for formulating buying, selling, and storage policies; (*c*) banks for determining values for loan purposes.

III. *Operations.*—Reporters secure information by interviewing buyers and sellers at markets during trading hours, inspecting records, observing transactions, collecting reports of rail and truck unloads, warehousemen's stocks in storage, and numerous contacts by telephone, mail, and telegraph. Locally secured data, assembled and analyzed by local reporters, integrated with data received from reporters at other points and adapted for local use. Basic data collected also relayed to central market news offices for further analysis and integration with reports for broad region or entire country. Information disseminated through every available means of communication.

IV. *Organization.*—About 115 permanent and 40 seasonal offices are maintained in nearly 110 cities and towns in major producing and consuming areas. Nearly 100 are 1-man offices. Field employees are under the administrative supervision of the respective Washington commodity branches. Cooperative agreements are in effect with 34 States and Hawaii.

V. *Fees.*—No fees are charged for this service. However, States under cooperative agreement in 1952 contributed about 20 percent of total cost of the service, largely through furnishing services, including personnel. The financing of each office is currently being reviewed as the first step in effectuating the financing plan contained in the overall market news plan. The categories are:

Category	Significance of marketing data	To be financed by—
I	National	Federal appropriation.
II	Regional	Joint Federal-State funds.
III	Local	State or local funds.

VI. *Pertinent workload.*—Commodities covered: Fresh fruits and vegetables (100); honey, peanuts, livestock, meats, wool, tobacco, naval stores, cotton, cottonseed, dairy and poultry products, inedible molasses, principal classes of grains, including flaxseed and soybeans, and grain byproduct feeds, hay, rice, and hops.

Buyers and sellers interviewed	40,000
Mimeograph releases issued	31,700,000
Mailing list	280,000
Radio stations broadcasting reports from 1 to 16 daily broadcasts (AM–FM)	1,449
Television stations broadcasting reports	18
Daily newspapers reprinting reports during year	1,210

Financial project, inspection, grading and classing, and standardization

	Appropriation	Reimbursement and trust	Total
I. Estimate, 1954:			
Original:			
Amount	$5,942,300	$13,772,250	$19,714,550
Man-years	1,000.2	2,433.0	3,433.2
Revised:			
Amount	$5,944,700	[1] $13,214,250	$19,158,950
Man-years	1,001.0	2,365.3	3,366.3

[1] Does not include nearly $1,500,000 to be deposited to miscellaneous receipts.

II. *Purpose.*—To establish uniform standards or other methods of determining and describing quality of farm products and provide a system for applying these standards uniformly and impartially to specific lots of produce in order to (1) aid the seller in obtaining rates for his products commensurate with quality; (2) remove the need for personal inspection of products by buyers, sellers, and lenders of money; (3) provide a comparable basis for market price quotations throughout the country; (4) provide the basis for settlement of disputes over quality or specifications; and (5) provide a buying guide for consumers.

III. *Operations.*—Standardization activities.—Properties and characteristics of commodities and products are studied to determine relationship of factors to quality and value. Official standards issued only after consultation with growers and industry and practical application to test value. Grades and standards reviewed and revised periodically to keep them in line with changing marketing practices, introduction of new products, changes in processing methods, etc.

Service activities.—Commodities and products examined at receiving markets, shipping points, warehouses, terminal markets, processing plants, and at other points for quality determination. Some items are chemically analyzed. Service provided by (*a*) inspectors employed under cooperative agreements;[1] (*b*) Department employees, and (*c*) individuals licensed and supervised by the Department. Use of standards mandatory for cotton and cotton linters, grain and naval stores sold by grade in interstate or foreign commerce and tobacco sold at designated auction markets. For other commodities, use of standards generally permissive.

IV. *Organization.*—Work conducted in eight commodity branches. Standardization activities largely in Washington; inspection, grading and classing from about 300 field offices located in 43 States, Hawaii and Puerto Rico. During active marketing season, temporary or seasonal offices operated at two points for cotton classing and 20 points for tobacco inspection.

V. *Fees.*—All standardization activities and most of service on cotton, tobacco, grain and part of naval stores financed from appropriation. For other commodities, service financed largely from fees collected. Only standardization revenue from sale or rental of copies of standards. Fees charged for all inspection, grading, and classing, except Smith-Doxey cotton classing and tobacco inspection at designated auction markets. Appeal fee is principal soucre of small Federal revenue from Grain Standards activities. Licensee, however, collects fee for his grade determination. In 1952, 75.8 percent of gross cost of project covered by fees or other revenue.

Pertinent workload

Commodity group	Standardization		Inspection, grading, and classing			Percent of crops being marketed under Federal grades
	Grade standards in effect June 30, 1952	Commodities covered	Volume graded in 1952 (millions of units)			
			Commodity	Unit	Quantity	
Cotton and cottonseed.	131	3	Cotton:			
			Smith-Doxey	Bales	9.8	65 percent.
			Other	do	2.8	
			Total	do	12.6	
			Cottonseed	Sample	.1	65 to 75 percent.
Dairy and poultry products.	11	9	Dairy products	Pound	764.6	11 percent.
			Eggs, shell	Case	15.0	10 percent.
			Poultry	Pound	1,375.7	7 percent graded, 31 percent inspected, 29 percent turkeys graded.
Fruits and vegetables (fresh and processed).	246	180	Fresh fruits and vegetables.	Carlot	1.3	50 percent (commercial).
			Canned fruits and vegetables.	Case	113.3	20 percent.
			Other processed fruits and vegetables.	Pound	1,543.3	70 percent (frozen).
Grain, rice, beans, peas, hay, etc.	20	20	Grain	Bushel	4,811.9	90 percent.
			Rice, beans and peas.	Pound	3,565.4	70 percent.
Livestock, meats and wool.	8	15	Meats	do	10,093.6	55 percent beef, 25 percent lamb and veal.
Sugarcane, sirups and molasses.	2	2	(2)	(2)	(2)	
Tobacco and naval stores.	2,570	2	Tobacco	Pound	2,356.0	100 percent at auction markets.
			Rosin	Drum	.6	80 percent of gum rosin.
			Turpentine	Gallon	8.9	53 percent of gum turepntine.

[1] There are now about 210 agreements.

[2] Availability of service announced June 1951 and July 1952. Service performed by Fruit and Vegetable Branch.

Financial project—Improvement of marketing practices

	Appropriation	Reimbursable and trust funds	Total
I. Estimate, 1954:			
Original:			
Amount	$422,000		$422,000
Man-years	71.7		71.7
Revised:			
Amount	$404,950		$404,950
Man-years	68.8		68.8

II. *Purpose.*—To conduct studies and to compile and disseminate information to improve marketing methods, practices and processing techniques, including basic principles for improving market and storage facilities.

III. *Operations.*—Work is conducted along specific work and line projects which fall into four broad categories:

(*a*) Analyzing and summarizing research data from a wide variety of sources to provide the basis for preparation of bulletins, circulars, posters, etc., relative to improved preparation, care and handling of products for marketing;

(*b*) Cooperating in regional research projects upon request of the appropriate regional committee;

(*c*) Analyzing methods of handling various products in different marketing facilities in order to determine basic principles which should be followed in improving the facilities; and

(*d*) Evaluating the practices and procedures in the handling and marketing of cotton and cottonseed in order to develop needed improvements.

IV. *Organization.*—Currently the work under this project is being done by 5 commodity and 1 functional branch.

V. *Fees.*—None.

VI. *Pertinent workload data*—(Not subject to objective measurement):

	Percent
A. Distribution of funds by activity approximates:	
Cotton research	55
Regional marketing research	20
Marketing facilities, etc., studies	15
All other	10
Total	100
B. Number of current line projects by branch:	
Cotton	14
Dairy	3
Poultry	4
Fruits and vegetables	7
Livestock	3
Marketing facilities research	3
Total	34

Financial project—freight rates for farm products

	Appropriation	Reimbursements and trust funds	Total
I. Estimate, 1954:			
Original:			
Amount	$175,000		$175,000
Man-years	27.0		27.0
Revised:			
Amount	$148,400		$148,400
Man-years	22.9		22.9

II. *Purpose.*—Assistance to farmers in obtaining and maintaining equitable transportation rates and services for agricultural products through participation in their behalf in formal cases before ICC and in informal negotiations with carriers and groups of carriers.

III. *Operations.*—Specialists in transportation and marketing determine whether adjustments in rates appear necessary as a result of changes in the volume of goods carried, competitive situations, and new practices which result in greater efficiency. Constant surveys of tariffs and transportation practices are made; close relationships are maintained with producer and trade groups; and cases and supporting data are prepared for presentation before the ICC. Rate adjustments effected in any one year range from adjustments in rates on particular commodities between specified points to those that cover the entire country on all commodities.

IV. *Organization.*—This project is administered by the Transportation and Warehousing Branch. There are no field offices.

V. *Fees.*—None.

VI. *Pertinent workload data cases participated in during 1952.*—Formal, 48; informal, 30; cases pending December 31, 1952, 51.

In this work the number of cases is not necessarily significant. Selectivity as to precedent or widespread importance of cases is of more importance than volume or number of cases.

Financial project—regulatory activities

	Appropriation	Reimbursements and trust funds	Total
I. Estimate, 1954:			
Original:			
Amount	$2,213,700	$1,500	$2,215,200
Man-years	368.0		368.0
Revised:			
Amount	$2,158,700	[1] $1,500	$2,160,200
Man-years	357.4		357.4

[1] Does not reflect about $22,000 expected to be deposited to miscellaneous receipts.

II. *Purpose.*—To protect farmers and others from financial loss or personal injury resulting from deceptive, careless, and fraudulent marketing practices.

III. *Operations.*—The specific activities and problems to be solved vary in their details for each act but the method of administering each follows the same general pattern and includes two or more of the following: (1) Licensing or registration; (2) supervising the operations of licensees; (3) collecting and testing samples; (4) investigating complaints and handling violations.

IV. *Organization.*—These 8 regulatory acts are administered through 1 functional and 4 commodity branches whose employees are located in 51 field offices, (including Beltsville, Md.). Three of the acts are administered solely from the Washington office.

V. *Fees.*—Only fees charged are for licensing warehouses under the United States Warehouse Act.

VI. *Pertinent workload.*—Fiscal year 1952:

Federal Seed Act:	
Total pounds imported (valued at $20 million)	97,800,000
Import actions	8,045
Interstate violations (cases)	1,236
Cases completed	770
Seed samples tested	12,903
Insecticide, Fungicide, and Rodenticide Act:	
Submissions for registrations	17,275
Total registrations	7,614
Samples collected and examined	2,085
Violations	572
Naval Stores Act:	
Samples collected	186
Violations	23
Tobacco Plant and Seed Exportation Act: Certificates issued	44
Packers and Stockyards Act:	
Yards posted	327
Additional yards eligible for posting	306
Dealers and market agencies registered	4,963
Accounts audited	157
Violations reported (cases)	137

Standard Container Acts:	
Samples tested (items, 1,925 samples)	293
Requiring correction	69
United States Warehouse Act:	
Licensed warehouses	1,434
Original examinations	179
Supervisory inspections	3,840
Average per warehouse	2.0+

Market News Service

NEW AREAS SERVED

Mr. Andersen. Last year the committee asked you to give consideration to market news service in several new localities, and we placed $50,000 in reserve for possible use in such areas. What has developed on this?

Mr. Gordon. I would like to ask Mr. Lennartson to cover that.

Mr. Lennartson. Mr. Chairman, there were 3 different localities involved in the situation last year, and we went back to the people in those 3 localities and explained, that in line with the long-range program—the plan for developing the market news program—we felt that in each instance there should be some local contribution, and where the service was of such a local character we felt that it should be financed by local or State funds.

APPALACHIAN APPLE AREA

The particular one which we discussed with respect to the apple news, the four States combined have provided the additional money to keep the service they desired, and we have had no indication this year that they are not going to carry on as they did last year.

Another situation——

Mr. Horan. Having been instrumental in setting up this new diversion in marketing service in the Appalachian apple area, I would like to have Mr. Lennartson give a little more detail information on this, concerning the diversion from the usual form of the Marketing News Service.

That is brought about by the fact that in most areas where you have concentrated production it is easy to get reports on the carloads and large shipments which would give you an indication of the traffic movement of commodities because of only a few shipping points. And in the Appalachian area we found many railroads, as well as the main highways, where this is applicable, in a rather important apple-producing area, and it is for this reason that we set up this pattern in the Appalachian area.

Mr. Lennartson. Yes.

Mr. Horan. In which at least four States had a major interest—West Virginia, Virginia, Pennsylvania, and Maryland.

Mr. Lennartson. That is right.

Mr. Horan. And as I understand that program has worked out very well?

Mr. Lennartson. It has worked out exceptionally well. A committee came to the Department and we sat down with them and explained our position, on the basis of what had been done. However, as you recall, Mr. Horan, they decided to go back, they wanted

to get a little closer to the producers themselves and pick up information with respect to what he was doing, and we told them we felt that was something that was local in character and was of primary importance to them. They agreed with us and they did go back, and from these four States they obtained adequate funds to extend the season of reporting in keeping with their desires, and that has worked out exceptionablly well.

Mr. HORAN. And they are satisfied?

Mr. LENNARTSON. They are very happy.

Mr. HORAN. And your relations with the people in the Appalachian area have been satisfactory?

Mr. LENNARTSON. Very satisfactory.

Mr. HORAN. I am happy to hear that, because there was a problem presented to us, and actually the people of the area did not know exactly how to approach it. You recall that the original request would have required considerable Federal expenditure to set up such a news service in the area, but through this cooperative effort we have been able to get it at a very minimum cost.

Mr. LENNARTSON. That is correct. I think it was rather fortunate that we have had that experience, because it has established a pattern which we can follow now in the event other areas, with a similar type of problem, come to us.

Mr. HORAN. Thank you very much.

Mr. ANDERSEN. Do you have any further comments you would like to make, Mr. Lennartson?

Mr. LENNARTSON. No.

REPAYMENTS TO CCC

Mr. ANDERSEN. Will you discuss the need for the new item proposed for 1954, entitled "Repayment to Commodity Credit"?

Mr. LENNARTSON. Mr. Beach, will you explain that item, please?

Mr. ANDERSEN. I believe that item totals $768,505.

Mr. BEACH. Yes. The law provides that there shall be free classing service to promote the improvement of cotton and for free grading of tobacco. That is under the Smith-Doxey Act of 1937 and the Tobacco Inspection Act. The problem existing over the past years has been that of estimating in advance what amount of funds are required to provide the cotton classing services. In the Appropriation Act of 1952, and also in the act of 1950, there was provision made by this committee to provide the funds necessary to cover the classing of cotton or the inspection of tobacco, over and above the amount available in the appropriation therefor. It was provided that needed funds should be advanced by the Commodity Credit Corporation, subject to later reimbursement to the Corporation for that portion of the advance not represented by funds used in the classing of cotton or inspecting of tobacco which actually went under CCC loans.

That is the basis for this estimate. In the fiscal year 1952 the amount of funds used out of the CCC advances, over and above that represented by the cost of classing cotton placed under loan or tobacco inspected placed under loan is $768,505. Actually, we utilized the unobligated balances in all marketing services items, which cut down the required reimbursement as much as possible. That is the reason

for the reduction of some $50,000 from the original estimate which appears in the later figure.

Mr. WHITTEN. In that connection, there is a basic law providing that the Federal Government shall furnish these services.

Mr. BEACH. Yes.

Mr. WHITTEN. The Federal Government is obligated to do this work. Under this provision you can expand the program as it is needed, as against having permanent offices which often would not be busy throughout the year. Personally I think it has resulted in saving considerable money.

FEES AND REVENUE

Mr. ANDERSEN. What reimbursements do you now receive from various activities financed from this appropriation?

Mr. BEACH. Under inspection and grading work, that service is financed about 75 percent by fees collected.

Mr. ANDERSEN. Page 177 of the justification shows that 24.2 percent of the total cost is borne by the taxpayer.

Mr. LENNARTSON. That is correct.

Mr. ANDERSEN. It also shows that 75.8 percent is covered by revenue.

Mr. LENNARTSON. That is correct.

Mr. ANDERSEN. You receive considerable revenue from some activities but very little from others. Will you explain that?

Mr. LENNARTSON. Yes. In some cases the services must be performed by the Federal Government: for instance, on grain, under the Grain Standards Act, the supervisory work of this program is paid for by Federal appropriation, and as reflected here, 81 percent of the cost is borne by the taxpayer, and roughly 19 percent is covered by fees.

For service on livestock, meats, and wool the return is 97.8—practically 98 percent. These funds come from fees collected for the services.

For dairy and poultry products, almost 94 percent is covered by revenue.

For fruits and vegetables, 90 percent. And with respect to next year's fees to be collected, we hope that we will approach 95 percent.

Mr. ANDERSEN. Mr. Lennartson, do you receive any fees for inspection performed under the various regulatory acts?

Mr. LENNARTSON. Under the regulatory acts shown under this item there will be very little revenue obtained, Mr. Chairman. Those are regulations that are for the most part mandatory and are paid for under Federal appropriations.

Mr. ANDERSEN. Is this a possible field for study as to collecting sufficient fees to cover the cost?

Mr. LENNARTSON. It certainly is. And right at the present time we are making a very careful review of all the marketing services, with respect to the possibility of placing them on a fee basis. We find that there are a few instances that will require change in legislation, or amendments to present law, and next year we think we will have some proposed amendments with respect to that.

Mr. ANDERSEN. There are many fields where worthwhile services are given to people, and where charges could well be made in return

for the services. We could probably expand many programs of the Department by obtaining some reimbursements. Perhaps that would result in additional services to more areas.

Mr. LENNARTSON. We agree with that, and that is one of the reasons we are making a very careful survey of it now.

MARKET NEWS SERVICE IN SOUTH CAROLINA

Mr. WHITTEN. Mr. Chairman, my attention has been called to an item by our colleague, Mr. McMillan, from South Carolina, who is a member of the legislative Committee on Agriculture. He has communicated with several members of the committee concerning the need for Marketing News Service in the State of South Carolina. In commenting on that he points out the tremendous growth of the livestock, vegetable, other industries, and of the volume of trade turnover, and the fact that the surrounding States now have a Marketing News Service.

Mr. Lennartson, I wonder if you have had an opportunity to look into that and see what the situation is? In his letter he points out that the State will be glad to match the cost of a 50–50 basis.

Mr. LENNARTSON. We have had a meeting with the folks of South Carolina, who desire to set up a State Market News Service. We have communicated to them that when Federal funds are available, we will be more able to join in the development of the program for that State.

This year we are not reflecting an increase.

Mr. WHITTEN. I notice you are not; and under the basis on which you have to present your request, you cannot go above the budget estimate.

I would like to have inserted in the record full information with regard to the size of an operation the $8,000 would take care of.

(The information requested follows:)

PROPOSED MARKET NEWS FOR SOUTH CAROLINA

The proposed service would be provided by a one-man Federal-State office to be located at Columbia, S. C. Coverage would include reports of supplies, prices, movements, etc., on fruits and vegetables, dairy and poultry products, livestock and grain at all commercially important shipping points in South Carolina as well as the South Carolina State market at Columbia. The proposed service would be financed initially on a 50–50 basis—$8,000 of State funds and $8,000 of Federal appropriation. The service would be similar to that now in operation in comparable areas. However, costs are expected to be slightly higher, since statewide service would require higher travel and communication costs than for terminal market or limited shipping areas.

COMPARISON OF REVISED ESTIMATE WITH ORIGINAL BUDGET ESTIMATE

Mr. WHITTEN. Now, in the so-called Truman budget, for "Marketing Service" there was an estimate of $11,600,000. Under the revised budget estimate that has been reduced to $11,474,000.

Mr. LENNARTSON. Yes.

Mr. WHITTEN. What is being eliminated as the result of that reduction?

Mr. LENNARTSON. In keeping with the spirit of attempting to aid and assist the situation we are reflecting a $42,450 cut in Market News.

We are going to attempt to make the cuts primarily by closing Market News offices in local areas. I want to emphasize that we are proposing to do so, because, based on experience we have had, the indication is that it is very difficult, in most instances, to close a local office, even one of a local character. It is our hope that the States will be able to continue the service.

Mr. WHITTEN. You have been given under the revised budget the same amount that you have had in the current year; have you not?

Mr. BEACH. What the revised budget does, Mr. Whitten, is to cut out three proposed increases that were in the original 1954 budget estimate. Those were with particular reference to the regulatory acts, the Packers and Stockyards Act, the Federal Warehouse Act, and the Grain Standards Act. The revised budget eliminates those increases. One of the points mentioned was that in addition to having eliminated those increases, as shown in the original budget, there have been savings accomplished through rearrangement of the work projects which has resulted in this reduction in the Market News Service. That in turn will be reflected primarily in reductions again next year in reimbursements to the CCC in the following year for cotton-classing activities.

NEED FOR EXPANSION OF MARKET NEWS SERVICE

Mr. WHITTEN. This Market News Service is highly important, and we have attempted to spread the service over the country as much as possible, but have not been able to go as far as we would like to. We have tried to go along slowly to be sure that we did not run into duplication. And yet I can easily see that, in this period of extra production and surpluses, if we have adequate news service we might actually save money as against having inadequate information and thereby creating some gluts in the market.

In this revised figure, was there any plan for any new units?

Mr. LENNARTSON. No.

Mr. WHITTEN. Do you know if the Bureau of the Budget included any funds for any units?

Mr. LENNARTSON. As I recall there were no increases reflected in the original budget for market news.

Mr. BEACH. That is correct.

Mr. WHITTEN. How many places are requesting marketing news service through the regular funds?

Mr. LENNARTSON. We continue to get requests practically every week for additional market news service, such as rice in the South, beans in the middle States, and soybeans, but in keeping with the President's policy no increases are reflected in the request.

Mr. WHITTEN. I would like for the record to show how many such requests are pending at the present time.

Mr. LENNARTSON. We will be glad to supply that.

(The information requested follows:)

Recent and pending requests for Market News Service

Commodity group and location	Coverage requested	Estimated total annual cost	Financing plan	
			Federal	State and local
Livestock:				
Clovis, N. Mex.-Amarillo, Tex.	Livestock market	$12,000	$6,000	$6,000
Fort Smith, Ark	do	7,500		7,500
Springfield, Mo	do	12,000	6,000	6,000
Milwaukee, Wis	do	12,000	6,000	6,000
Billings, Mont	Extend leased wire	3,800	1,900	1,900
Muncie, Ind	Direct hog marketing, Indiana and Ohio.	32,000	16,000	16,000
Dairy and poultry products:				
Des Moines, Iowa	Shipping point prices on butter in Iowa and Minnesota.	18,000	9,000	9,000
Alabama	Increased broiler coverage	1,200	300	900
Delaware and Maryland	do	1,900	1,425	475
Virginia	do	1,700	1,275	425
North Carolina	do	1,500	750	750
Georgia	do	10,000	7,500	2,500
Boston	Increased coverage, eggs	10,000	7,500	2,500
Cincinnati, Cleveland, and Detroit.	Increased coverage, eggs and poultry	12,000	7,200	4,800
Lafayette, Ind	Broilers and eggs	14,000	7,000	7,000
Pittsburgh, Pa	Dairy and Poultry Services	12,000	6,000	6,000
Texas	Poultry and egg service	20,000	10,000	10,000
Wisconsin	Poultry and eggs and expand dairy	15,000	7,500	7,500
Fresno, Calif	Eggs, poultry, and turkeys	15,000	7,500	7,500
Chicago	Central West packing plant report	5,000	5,000	0
Grains, hay, feed, seed, rice and hops:				
Denver, Colo	Dry beans in Intermountain States (Wyoming, Colorado, Utah, Nebraska, New Mexico).	19,000	9,500	9,500
Lansing, Mich	Dry beans, Michigan and New York	16,300	8,150	8,150
New Orleans, La	Southern rice producing area	16,700	8,350	8,350
Atlanta, Ga	Grass seed for Southern States	15,400	7,700	7,700
Fresno, Calif	Alfalfa hay	10,000	5,000	5,000
Chicago, Ill	Regional service on soybeans and corn	18,000	18,000	0
Portland, Oreg	Strengthen service on grass seed	10,000	5,000	5,000
Northeastern area	Hay in New England, New York, Pennsylvania, Ohio, and Michigan.	25,000	12,500	12,500
Portland Oreg	Improve service on hay and hops	3,500	3,500	0
Fruits and vegetables:	Fruits and vegetables:			
Minneapolis, Minn	Truck receipts in Twin Cities	4,200	4,200	0
South Carolina	Statewide service on commercially important commodities.	16,000	8,000	8,000
Southeastern and southwestern areas.	Pecans	12,000	6,000	6,000
Washington, D. C	Fruit and vegetable market	8,000	8,000	0
Massachusetts	Northeastern cranberries	8,000	4,000	4,000
North Dakota	Red River Valley potatoes	8,400	4,200	4,200
Arizona	Extend reporting period on vegetables and melons.	12,000	6,000	6,000
Total		419,100	231,950	187,150

GRAIN STORAGE

Mr. MARSHALL. Mr. Gordon, what action is the Production and Marketing Administration contemplating taking—and I am thinking in terms of action since there has been some study made—with reference to grain storage. Also I am wondering what action the PMA expects to take in connection with the orderly movement of grain. We have had railroad car shortages. That has been quite critical in the past few years. Do you have any information on that?

Mr. GORDON. We have tried to move up our paperwork just as fast as possible so as to begin moving the grain and getting it out of the territory before the new grain has to be put into storage. One of the things we have done is to arrange for the movement of about 12 million bushels of winter wheat, principally from that territory.

We have also moved, and we propose to move all we can out of Kansas, Nebraska, Colorado area, toward the port, storage at ports. And then we are also doing what we can do to get some defense facilities for other grains, and through that we hope to take care of the situation. So that we are both moving on the storage situation and are setting up programs to get the grain out as quickly as we can.

Mr. MARSHALL. Do you feel you have sufficient controls so that we will not need to have a duplication of this difficulty again?

Mr. GORDON. Well, we cannot guarantee it, because in that particular area, the Kansas State area, and three other areas, it looks like now we are going to be about 75 million bushels short of storage. We are also going to have the problem in Minneapolis, but we do not expect it to be to the extent that has existed heretofore. We have been doing everything we can to meet it.

Mr. MARSHALL. There has been a tendency in years past for boxcars to leave that area and to be sent on circuitous routes around over the country.

Mr. GORDON. We have been working with the railroad people trying to lessen that difficulty.

Mr. MARSHALL. I'm interested in farm storage.

Mr. GORDON. We plan to reemphasize the importance of more farm storage, where they are able to provide it.

Mr. HORAN. And you are going to have to use it whenever you can.

Mr. GORDON. This year, but that should not be a permanent thing.

Mr. HORAN. At best it is a makeshift, but I am happy to be able to report that I have discussed this matter with responsible people in the Department, not only recently, but last year when we had this problem up before us.

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$158,886,746	$181,040,312	$172,800,000
Prior year balance available	116,347,175	221,195,744	300,000,000
Reimbursements from other accounts	500,000		
Total available for obligation	275,733,921	402,236,056	472,800,000
Balance available in subsequent year	−221,195,744	−300,000,000	−300,000,000
Carried to surplus		−27,236,056	−97,800,000
Obligations incurred	54,538,177	75,000,000	75,000,000

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
1. Direct purchases	$33,208,489	$55,000,000	$55,000,000
2. Encouragement of exportation	16,763,083	14,529,000	14,529,000
3. Diversion to byproducts and new uses	1,457,717	1,500,000	1,500,000
4. Surplus removal operating expenses	1,905,785	2,471,000	2,471,000
5. Marketing agreements and orders	1,208,153	1,500,000	1,500,000
Obligations incurred	54,538,177	75,000,000	75,000,000

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
PRODUCTION AND MARKETING ADMINISTRATION			
Total number of permanent positions	459	565	561
Full-time equivalent of all other positions	1	1	1
Average number of all employees	443	547	544
Average salaries and grades:			
General schedule grades:			
Average salary	$4,800	$4,767	$4,737
Average grade	GS–6.6	GS–6.6	GS–6.5
01 Personal services:			
Permanent positions	$2,402,712	$2,966,937	$2,951,995
Part-time and temporary positions	2,152	2,152	2,152
Regular pay in excess of 52-week base	9,241	11,411	11,353
Payment above basic rates	1,459	3,500	3,500
Total personal services	2,415,565	2,984,000	2,969,000
02 Travel	151,135	220,500	220,500
03 Transportation of things	10,467	15,000	15,000
04 Communication services	58,611	85,000	85,000
05 Rents and utility services	69,284	100,000	100,000
06 Printing and reproduction	18,102	20,000	20,000
07 Other contractual services:			
Advance to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392	206,000	250,000	250,000
"Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture," pursuant to 7 U. S. C. 1388	81,000	81,000	81,000
Other	23,738	35,000	35,000
08 Supplies and materials	25,315	36,000	36,000
09 Equipment	5,908	10,000	10,000
11 Grants, subsidies, and contributions	51,251,059	70,940,532	70,935,000
13 Refunds, awards, and indemnities	99	500	500
15 Taxes and assessments	2,546	3,000	3,000
Obligations incurred	54,315,832	74,780,532	74,760,000
ALLOCATION TO FOREIGN AGRICULTURAL SERVICE			
Total number of permanent positions	14	12	16
Average number of all employees	9	8	11
Average salaries and grades:			
General schedule grades:			
Average salary	$4,676	$5,345	$5,294
Average grade	GS–6.3	GS–7.7	GS–7.8
01 Personal services:			
Permanent positions	$49,011	$49,313	$64,045
Regular pay in excess of 52-week base	132	112	155
Total personal services	49,143	49,425	64,200
04 Communication services		100	100
06 Printing and reproduction		300	400
08 Supplies and materials		100	150
09 Equipment		50	100
15 Taxes and assessments	22	25	50
Obligations incurred	49,165	50,000	65,000
ALLOCATION TO FISH AND WILDLIFE SERVICE, DEPARTMENT OF INTERIOR			
11 Grants, subsidies, and contributions (obligations incurred)	173,180	169,468	175,000

Object classification	1952 actual	1953 estimate	1954 estimate
SUMMARY			
Total number of permanent positions	473	577	577
Full-time equivalent of all other positions	1	1	1
Average number of all employees	452	555	555
Average salaries and grades:			
General schedule grades:			
Average salary	$4,800	$4,767	$4,737
Average grade	GS-6.6	GS-6.6	GS-6.6
01 Personal services:			
Permanent positions	$2,451,724	$3,016,250	$3,016,040
Part-time and temporary positions	2,152	2,152	2,152
Regular pay in excess of 52-week base	9,373	11,523	11,508
Payment above basic rates	1,459	3,500	3,500
Total personal services	2,464,708	3,033,425	3,033,200
02 Travel	151,135	220,500	220,500
03 Transportation of things	10,467	15,000	15,000
04 Communication services	58,611	85,100	85,100
05 Rents and utility services	69,284	100,000	100,000
06 Printing and reproduction	15,102	20,300	20,400
07 Other contractual services:			
Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392	206,000	250,000	250,000
"Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture," pursuant to 7 U. S. C. 1388	81,000	81,000	81,000
Other	23,738	35,000	35,000
08 Supplies and materials	25,318	36,100	36,150
09 Equipment	5,908	10,050	10,100
11 Grants, subsidies, and contributions	51,424,239	71,110,000	71,110,000
13 Refunds, awards, and indemnities	99	500	500
15 Taxes and assessments	2,568	3,025	3,050
Obligations incurred	54,538,177	75,000,000	75,000,000

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$5,140,770	$22,152,249	$30,571,249
Obligations incurred during the year	54,538,177	75,000,000	75,000,000
	59,678,947	97,152,249	105,571,249
Deduct unliquidated obligations end of year	22,152,249	30,571,249	30,571,249
Total expenditures	37,526,698	66,581,000	75,000,000
Expenditures are distributed as follows:			
Out of current authorizations	37,526,698	45,181,000	45,100,000
Out of prior authorization		21,400,000	29,900,000

Mr. ANDERSEN. We will take up the next item, "Removal of surplus agricultural commodities," and we will insert in the record pages 215 and 216 and 218 through 224 of the justification, and a statement comparing the revised estimate with the original budget estimate.

(The pages referred to follow:)

PURPOSE STATEMENT

Under section 32 of the act approved August 24, 1935, as amended (7 U. S. C. 612c), an amount equal to 30 percent of customs receipts during each calendar year and unused balances to the extent of $300 million are available for the removal from the market of agricultural surpluses and for administration of marketing agreements and orders. The Agricultural Act of 1949 requires that

this fund be used principally for perishable agricultural commodities. During the fiscal year 1952, 83 percent of the funds used for surplus commodity operations was for perishables.

Purchases for distribution.—Surplus agricultural commodities, generally perishables such as fruits and vegetables, are purchased and distributed to the school-lunch program, charitable institutions serving needy persons, and persons certified by welfare agencies as eligible for relief.

Encouragement of exportation.—Differential payments are made to enable exporters to purchase surplus commodities on the domestic market and sell them on the world market at competitive world prices.

Diversion to byproducts and new uses.—Differential payments are made to enable processors to purchase surplus commodities on the domestic market, divert them to byproducts and new uses, and sell them at prices comparable to competing products, thus creating new markets for surplus commodities.

Surplus removal operating expenses.—These expenses are mainly in connection with purchasing, distributing, exporting, and diverting surplus commodities. In addition supervisory assistance is furnished local and State groups on the preservation of surpluses for year-round use, and in cooperation with the food trade, press, and radio; greater consumption of abundant foods is encouraged.

Marketing agreements and orders.—These agreements constitute voluntary arrangements and are put into effect upon request from the industry after hearings, investigations, and referenda among producers. They serve to strengthen prices by establishing and maintaining orderly marketing conditions and are in effect for milk, tobacco, tree fruits, tree nuts, Irish potatoes, and other vegetables.

Appropriated funds (permanent appropriation):	
Appropriated, 1953	$181,040,312
Budget estimate, 1954	172,800,000

Removal of surplus agricultural commodities (sec. 32)

Appropriations, 1953, and base for 1954 (30 percent of customs receipts)	$181,040,312
Revised budget estimate, 1954 (30 percent of customs receipts)	172,800,000
Decrease (in annual permanent appropriation for sec. 32 purposes)	−8,240,312

NOTE.—Due to an estimated carryover of $300 million from the fiscal year 1953, a total of $472,800,000 is estimated to be available for sec. 32 purposes in the fiscal year 1954. Of this total, the estimates tentatively forecast obligations of $74,128,374 for the fiscal year 1954, which would result in $98,671,626 being returned to the Treasury and leave a carryover of $300 million into the fiscal year 1955.

Project statement

Project	1952	1953 (estimated)	Increase or decrease	1954 revised (estimated)
1. Direct purchases	$33,203,439	$55,000,000		$55,000,000
2. Encouragement of exportation	16,763,083	14,529,000		14,529,000
3. Diversion to byproducts and new uses	1,457,717	1,500,000		1,500,000
4. Surplus removal operating expenses	1,905,785	2,471,000	−$609,494	1,861,506
5. Marketing agreements and orders	1,208,153	1,500,000	−262,132	1,237,868
Total obligations	54,538,177	75,000,000	−871,626	74,128,374
Returned to Treasury		27,236,056	+71,435,570	98,671,626
Balance available in subsequent year	+221,195,744	+300,000,000		+300,000,000
Total available	275,733,921	402,236,056	+70,563,944	472,800,000
Prior year balance available	[1]−116,847,175	−221,195,744	−78,804,256	−300,000,000
Total appropriation or estimate	158,886,746	181,040,312	−8,240,312	172,800,000

[1] Budget reflects carryover of $116,347,175. Above figure includes $500,000 representing return of unused balance of funds transferred in 1951 to "Expenses of Defense Production, pursuant to Public Law 45."

STATUS OF PROGRAM

CURRENT ACTIVITIES

This appropriation is available for expanding market outlets for farm commodities by removing from the market surplus agricultural commodities through:

(*a*) Purchases for distribution through State distributing agencies to school-lunch programs, and to welfare agencies and institutions eligible to receive such purchases.

(*b*) Encouragement of exports through payments which will permit the sale of surplus commodities in foreign markets.

(*c*) Encouragement of domestic consumption by diversion from normal channels of trade to byproducts and new uses.

These funds are also used for the administration of marketing agreements and orders which aim to establish and maintain orderly marketing conditions for certain commodities and their products.

These programs directly or indirectly tend to maintain prices received by farmers for many commodities.

The Agricultural Act of 1949 provides that section 32 funds shall be devoted principally to perishable nonbasic agricultural commodities (other than those designated in title II of the Agricultural Act of 1949) and their products. Commodities designated in title II are: Wool, including mohair, tungnuts, honey, Irish potatoes, milk, butterfat, and the products of milk and butterfat.

RECENT PROGRESS AND TRENDS

A. Purchases of agricultural commodities for distribution to authorized agencies

1. During the fiscal year 1952 approximately 180 million pounds of agricultural commodities at a cost of $33 million were purchased for distribution through authorized agencies. Distribution was made by 108 agencies to the following participants:

(*1*) 10,125,613 school children; (*2*) 1,080,798 persons in eligible institutions; (*3*) 31,153 individual welfare recipients, including Indians on reservations.

2. Quantity and cost of commodities purchased for distribution during fiscal years 1951 and 1952

Commodity	Unit	1951		1952	
		Quantity	Value	Quantity	Value
Fruits:					
Apples, fresh	Bushel	2,912,488	$6,545,383	1,527,748	$3,253,632
Cherries, canned	Case	465,386	1,880,882		
Cranberry sauce	do	361,734	1,187,766		
Orange juice, concentrated	Gallon			2,337,483	4,460,973
Honey	Pound	6,554,190	1,057,345	17,754,510	3,970,479
Meat products:					
Bacon	do			3,400,000	1,400,000
Picnic hams	do			4,600,000	1,800,000
Smoked hams	do			18,500,000	9,064,563
Milk, nonfat dry	do			20,763,885	4,165,516
Pecans	do			3,493,748	2,488,623
Poultry products:					
Eggs, shell	Case			226,430	3,556,107
Turkeys	Pound	5,768,523	2,545,721		
Vegetables:					
Beans, dry	Hundredweight	2,625	40,976	130,000	11,698
Beets	50-pound bag	17,400	20,310		
Cabbage	do	24,000	30,478		
Sweetpotatoes	Bushel	79,411	134,852		
Total			13,443,713		33,171,591

B. Encouragement of export of agricultural commodities

Export payments totaling approximately $16,763,000 were made during fiscal year 1952 to encourage the exportation of surplus agricultural commodities. No payments were made during fiscal year 1952 with section 32 funds in connection with the exportation of CCC-owned commodities under authority of the Mutual Security Act of 1951.

Quantity of commodities exported and payments made during fiscal years 1951 and 1952

Commodity	Unit	1951		1952	
		Quantity	Cost	Quantity	Cost
Cotton	Bale	2,894	$289		
Eggs	Pound	4,999,350	2,562,320		
Flaxseed	Bushel	1,060,353	1,096,057		
Fruits:					
Apples, dried	Ton	1,602	320,500	30,165	$315,198
Apples, fresh	Bushel	2,327,611	2,720,221	2,855,932	3,569,915
Citrus juice, blend	Case	25,189	23,501	15,669	11,568
Citrus salad	do			35	40
Grapefruit, fresh	Box	206,004	206,019	165,192	152,137
Grapefruit, oranges, canned	Case	70	298	50	65
Grapefruit juice, concentrate	Gallon	44,700	51,405	10,161	9,641
Grapefruit, canned	Case	10,704	13,914	2,023	2,335
Grapefruit juice, S. S	do	167,693	146,412	147,568	90,611
Lemons, fresh	Box			182,367	295,973
Lemon juice, S. S	Case			491	651
Oranges, fresh	Box	2,864,615	4,724,121	2,601,779	3,761,727
Orange juice, concentrate	Gallon	1,165,757	1,692,392	60,530	79,129
Orange juice, S. S	Case	252,311	248,888	249,427	189,444
Pears, fresh	Box	359,725	449,656	494,918	581,148
Prunes, dried	Ton	19,193	1,848,490	51,206	2,958,199
Raisins, dried	do	14,586	1,397,269	68,767	4,091,847
Honey	Pound	11,072,351	501,612	14,616,694	653,455
Linseed oil	do	236,057	7,383		
Peanuts	do	26,755,301	876,074		
Sorghum grains	Hundredweight	9,574,304	5,998,307		
Total			24,885,128		16,763,083

C. Quantity of commodities diverted and payments made during fiscal years 1951 and 1952

Commodity	Unit	1951		1952	
		Quantity	Payments	Quantity	Payments
Honey	Pound	53,410	$2,003		
Tree nuts: Almonds	do			4,274,667	$1,284,537
Total			2,003		1,284,537

D. Food preservation and marketing of abundant foods

The work performed under this program supplemented the Direct Distribution Program by (1) furnishing assistance and advice in the preservation of foods and in the operation of preservation centers and (2) encouraging the consumption of plentiful foods through normal channels of trade.

1. Food preservation program

(*a*) Surplus foods preserved during fiscal years 1951 and 1952 by local preservation centers for redistribution in processed form to schools and other outlets:

Commodity	Unit	Fiscal year 1951	Fiscal year 1952
Apples	Pounds	15,092,771	3,754,099
Beets	Pounds	348,515	
Sweetpotatoes	Pounds	272,500	
Total		15,713,786	3,754,099

(*b*) Assistance and advice furnished to nonprofit food preservation centers during fiscal years 1951 and 1952:

Project	Fiscal year 1951	Fiscal year 1952
	Number	*Number*
Workshops conducted in food preservation training	62	65
Technical assistance furnished in improving techniques	262	143
Plant surveys performed	142	120
Floor plans and equipment drawings developed and used	43	83
Demonstrations conducted on effective utilization of pork products	----------	13

2. Marketing of abundant foods program

During 1952 increased attention was devoted to the development of long-range merchandising programs for nonperishable items that are in plentiful supply throughout the year. Special food drives were undertaken for dairy products, fresh beets, lettuce, pork, eggs, and domestic dates.

Programs conducted during fiscal years 1951 and 1952

Project	Fiscal year 1951	Fiscal year 1952
	Number	*Number*
Average number of foods listed on monthly abundant foods list	13	17
Recipients of monthly abundant foods list	29,071	22,117
National food drives conducted	7	9
Area, State, and local food drives conducted	15	25

E. Marketing agreements and orders

Marketing agreements and orders were in effect during fiscal years 1951 and 1952 for (1) milk; (2) tree nuts, tree fruits, potatoes, and other vegetables; and (3) tobacco as follows:

1. Activities under the milk, fruit and vegetable and tobacco agreement and order programs during fiscal years 1951 and 1952

Activity	Milk		Fruit and vegetable		Tobacco, fiscal year 1952
	Fiscal year 1951	Fiscal year 1952	Fiscal year 1951	Fiscal year 1952	
Agreement and order programs in effect	41	45	30	26	1
Hearings held to consider amendments to existing orders or the issuance of orders in new areas	49	51	4	3	1
Requests received for new programs	13	21	5	2	1
Amendments issued to existing orders	37	59	4	1	----------
Suspensions issued to existing orders	3	6	----------	2	----------
Petitions received for review of various order provisions	8	10	4	1	----------
Petitions disposed of during the year	12	12	4	4	----------
Court cases started during the year	12	13	----------	33	----------
Court cases disposed of during the year	15	10	----------	31	----------
Hearings held under Administrative Procedures Act	4	1	----------	4	----------
Applications reviewed from cooperatives for qualifications to participate under the act	60	49	----------	----------	----------
Cases disposed of under the act	46	49	----------	----------	----------
Regulatory orders issued under provisions of marketing order	----------	----------	284	249	----------
Appointment of Administrative or control committees	----------	----------	44	41	1
Promulgation of committee rule making	----------	----------	49	27	1
Budgets analyzed and approved	41	45	63	55	1
Investigation of alleged violations	----------	----------	168	193	----------
Cases referred to Department of Justice for prosecution	7	9	39	56	----------
Recodification of amendments and orders	----------	----------	----------	10	----------
Administrator's decisions issued	----------	----------	----------	3	----------
Secretary's decisions issued	----------	----------	----------	6	----------
Secretary's referendum orders issued	----------	----------	----------	4	----------

2. Milk marketing agreement and order programs in effect for fluid milk during fiscal year 1952

State	Markets—City	Estimated number of producers	Estimated amount of pooled milk (1,000 pounds)
Illinois	Chicago, Quad Cities (grade A): Rockford-Freeport.	24,059	3,857,724
Indiana	Fort Wayne, South Bend-LaPorte	1,986	189,881
Iowa	Clinton, Dubuque, Sioux City, Cedar Rapids-Iowa City.	1,502	161,995
Kansas	Topeka, Wichita, Neosho Valley	1,966	180,733
Kentucky	Louisville, Paducah	2,367	268,078
Louisiana	New Orleans	2,705	228,569
Massachusetts	Boston, Fall River, Lowell-Lawrence, Springfield, Worcester.	16,226	1,874,367
Michigan	Detroit	12,177	1,127,002
Minnesota	Duluth-Superior, Minneapolis-St. Paul	7,093	779,446
Missouri	Kansas City, Springfield, St. Louis	7,612	868,855
Nebraska	Omaha-Council Bluffs	1,517	128,223
New York	New York	49,321	6,988,908
Ohio	Cincinnati, Cleveland, Columbus, Dayton, Springfield, Lima, Toledo	19,055	1,752,814
Tri-State	Huntington district plants	782	58,871
Do	Other plants	886	73,127
Oklahoma	Oklahoma City, Tulsa, Muskogee	2,359	275,874
Pennsylvania	Philadelphia	8,500	1,115,299
Tennessee	Knoxville, Nashville, Memphis	2,730	370,282
Texas	North Texas	2,540	392,851
Washington	Pudget Sound	3,349	565,294
Wisconsin	Milwaukee	3,044	419,088
Total, 45 markets		171,776	21,697,281

3. Fruit and vegetable marketing agreement and order programs in effect during fiscal year 1952

Commodity	Estimated number of commercial producers	Estimated farm values
Citrus fruits:		
California-Arizona desert grapefruit	2,000	$4,161,000
California-Arizona lemons	6,100	37,760,000
Florida oranges	15,000	88,200,000
Florida grapefruit		33,250,000
Florida tangerines		7,250,000
Deciduous fruits:		
California Tokay grapes	1,900	11,200,000
Colorado peaches	2,600	1,217,000
Georgia peaches	2,400	8,682,000
Utah peaches	1,300	1,520,000
California Bartlett pears	1,200	30,682,000
California plums	900	13,536,000
California Elberta peaches	500	8,960,000
California Beurre Hardy pears	300	1,110,000
Oregon-Washington-California fall and winter pears	3,000	17,566,000
Oregon-Washington fresh prunes	600	5,071,000
Dried fruits:		
California dried prunes	7,500	36,505,000
California raisins	12,000	39,042,000
Vegetables:		
Colorado peas	100	274,000
Colorado cauliflower	125	638,000
Potatoes:		
Idaho-Oregon	10,855	57,133,000
Colorado	3,201	20,655,000
Oregon-California	2,336	21,079,000
Virginia-North Carolina	3,766	17,239,000
Eastern South Dakota	278	2,216,000
Washington	1,493	15,892,000
New England except Maine	1,328	13,753,000
Nuts:		
California almonds	8,500	17,507,000
Oregon-Washington filberts	3,800	2,513,000
Southeastern pecans	20,500	17,572,000
California-Oregon-Washington walnuts	16,000	32,158,000
Hops: California-Oregon-Washington-Idaho hops	850	31,735,000
Total, 26 orders		596,074,000

COMPARISON OF ORIGINAL AND REVISED ESTIMATES, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Direct purchases	$55,000,000	$55,000,000	$55,000,000	
2. Encouragement of exportation	14,529,000	14,529,000	14,529,000	
3. Diversion to byproducts and new uses	1,500,000	1,500,000	1,500,000	
4. Surplus removal operating expenses	2,471,000	2,471,000	1,861,506	−$609,494
5. Marketing agreements and orders	1,500,000	1,500,000	1,237,868	−262,132
Total obligations	75,000,000	75,000,000	74,128,374	−871,626
Returned to Treasury	27,236,056	97,800,000	98,671,626	+871,626
Balance available in subsequent year	300,000,000	300,000,000	300,000,000	
Total available or estimate	402,236,056	472,800,000	472,800,000	
Prior year balance available	221,195,744	300,000,000	300,000,000	
Total appropriation or estimate	181,040,312	172,800,000	172,800,000	

EXPLANATION OF PROPOSED REDUCTION BELOW ORIGINAL BUDGET ESTIMATE, 1954

The decrease of $8,240,312 results from an estimated reduction in customs receipts in the calendar year 1952. The following table reflects the total funds available, obligations, and balances in this appropriation:

	1952	Estimated, 1953	Estimated, 1954
Appropriation	$158,886,746	$181,040,312	$172,800,000
Prior year balance available	116,847,175	221,195,744	300,000,000
Total available	275,733,921	402,236,056	472,800,000
Obligations	54,538,177	75,000,000	74,128,374
Balances:			
Carried to subsequent year	221,195,744	300,000,000	300,000,000
Returned to Treasury		27,236,056	98,671,626

These funds are used principally for surplus removal of perishables; consequently it is extremely difficult to estimate fund requirements far in advance The production of commercial vegetables for fresh market, for instance, is a continuous operation with the location of the production shifting according to the seasons. With only about 45 to 90 days from planting time to harvest time for most commodities, the situation on a given commodity can change quickly from one of shortage to one of surplus. Even in seasons in which the total volume of production may be less than normal, surpluses frequently arise because of bunching of maturity dates for successive plantings.

It is equally as difficult to predict the production of orchard crops which are dependent upon several years of growth and which cannot economically be adjusted to the market demand after a season of abundance.

To prevent waste and to encourage the utilization of these highly nutritious foods through domestic and foreign outlets, the Agricultural Act of 1949 provided that section 32 funds should be used principally for perishable commodities for which no other price support is mandatory. During the 1952 fiscal year 77.8 percent of the funds used, or approximately $42,400,000, were for perishables. Sixty-one percent of the total, or about $33 million, were distributed through domestic outlets.

To assure the producers of these important perishable commodities that sufficient funds will be available to meet surplus problems, Congress has provided for the accumulation of unused balances to the extent of $300 million, and for the use of these balances, together with the amount provided annually, for the removal of surplus agricultural commodities.

The reduction of $871,626 in estimated obligations for 1954 for surplus removal operating expenses and for administering marketing agreements and orders consists of a total decrease of $1,006,626 for expenses of the Production and Marketing Administration and an increase of $135,000 in anticipated allotment to the Foreign Agricultural Service. In order to help avoid undue accumulation of

surplus agricultural commodities, it is necessary to take more aggressive steps to promote exportation of commodities in actual or potential surplus. In recent years, several marketing specialists have been employed by the Foreign Agricultural Service to develop foreign market outlets for specific commodities in abundant supply. This activity, heretofore financed from the appropriation for the Agricultural Marketing Act, should be expanded, and it is planned to utilize section 32 funds for the employment of present and additional marketing specialists for this purpose. Accordingly, the anticipated allotment to the Foreign Agricultural Service in the fiscal year 1954 will approximate $200,000 rather than the $65,000 indicated in the original budget.

General Statement

Mr. Andersen. Mr. Gordon, do you have a short general statement to insert in the record on this item?

Mr. Gordon. Yes.

(The statement referred to follows.)

This is a permanent appropriation made each fiscal year in an amount equal to 30 percent of the customs receipts during the preceding calendar year. In addition, Congress has authorized the use of unused balances to the extent of $300 million. These funds are provided to expand market outlets for surplus farm commodities through:

1. Purchases for distribution through State distributing agencies to school-lunch programs, and to welfare agencies and institutions eligible to receive such purchases.
2. Encouragement of exports through payments which will permit the sale of surplus commodities in foreign markts.
3. Encouragement of domestic consumption by diversion from normal channels of trade by byproducts and new uses.
4. The administration of marketing agreements and orders which aim to establish and maintain orderly marketing conditions for certain commodities and their products is also financed from these funds. Administration at the local level is financed from assessments.

In addition, costs in connection with section 22 of the Agricultural Adjustment Act of 1933, as amended, relating to import limitations are financed from this appropriation.

The major portion of funds expended under the appropriation are for purchases of surplus commodities for distribution through State distributing agencies. Commitments for this fiscal year to date for this purpose total $218 million. Major program commitments included: Beef, $75 million; Pork, $35,700,000; turkeys, $30 million; and butter, $55,500,000. For the fiscal year 1954, and these of course are highly tentative, we estimate that such purchases will aggregate $243 million. Some of the larger items are: Beef, $82,500,000; pork, $50 million; and butter, $37,500,000. As much as possible of these purchases will be used in the school-lunch program.

Export programs for 1954 are estimated at $16 million and diversion programs at $4 million.

Description of Operation of the Program

Mr. Andersen. For the benefit of the subcommittee, describe the operations of this program, please.

Mr. Beach. The program of surplus removal of agricultural commodities was authorized by section 32 of the Agricultural Adjustment Act of 1938, as amended, which provides that an amount equivalent to 30 percent of the customs receipts for the preceding calendar year shall be made available in a permanent annual appropriation for the purpose of surplus removal.

The law provides various methods for surplus removal, including purchases for distribution; encouragement of exports, and diversion to byproducts and new uses. Those are the three main methods of surplus removal.

The law also provides that this appropriation will be used to pay the expenses of administering marketing agreements and orders.

The procedure under which section 32 program determinations are made, and as to what commodities will be bought and in what quantities are substantially the same as are followed with respect to the Commodity Credit Corporation program, in that the proposal is made to the Secretary through the Board of Directors of the Commodity Credit Corporation, and he makes the decision as to whether the surplus situation is such as to warrant the use of these funds for that purpose. The commodity is acquired through a purchase program, and is made available to eligible outlets. In accordance with the law, the limitation on the quantity of these commodities which may be purchased is the amount that may be used in the available outlets.

I think that briefly describes the program.

STATUS OF OBLIGATIONS

Mr. ANDERSEN. Thank you, Mr. Beach. What are the unused balances in this appropriation?

Mr. BEACH. You mean the most recent figure we have?

Mr. ANDERSEN. For whatever date you have data available. I notice you estimate that the total available will be $472,800,000 for the fiscal year 1954.

Mr. GORDON. That is right.

Mr. BEACH. Yes. The actual amount uncommitted against the fund as of March 23—this means we would have available as of that date, $158,292,487 uncommitted. That does not necessarily mean that of the funds available all of the amount in excess of $158 million will actually be obligated this fiscal year. The estimated obligations in the budget document are $75 million. That estimate has since been exceeded by a later estimate of obligations under the programs that have originated since the time the budget estimates were gotten up, one of them being the beef program, which was recently developed.

Mr. ANDERSEN. I notice that it is estimated that there will be $27 million returned to the Treasury. Is that because the law provides that the unused balance cannot be more than $300,000,000?

Mr. BEACH. That is right. The original amount available for the fiscal year 1953 was $402,236,056. The budget estimate contemplates an obligation of $75 million, which would leave a balance of $27 million over and above the $300 million in the following fiscal year.

Mr. ANDERSEN. The sum of $27 million may change, however, before June 30.

Mr. BEACH. Yes, sir; that is correct. We may not have any funds available for return to the Treasury by June 30.

VARIATION BETWEEN OBLIGATIONS AND FUNDS AVAILABLE

Mr. ANDERSEN. Why are the obligations each year so much lower than the funds available? In 1952, for example, the appropriation was $158,886,746, while the obligations were only $54,538,177, and in 1953 and 1954 the obligations are estimated at $175 million each year,

while the income will run around $181 million in 1953 and $173 million in 1954.

Mr. BEACH. The basic reason is the fact that the funds are utilized only to the extent that actual need develops for surplus removal. The actual need in the opinion of the Board of Directors of the Commodity Credit Corporation and the Secretary did not warrant the expenditure of more funds than the amount of the obligations as indicated in those years.

I might point out, however, that our current estimate for the fiscal year 1954, and this reflects the latest information we have, is for possible obligations amounting to approximately $269 million in the fiscal year 1954. The situation is turning toward a higher rate of obligation, as you see.

Mr. ANDERSEN. Mr. Horan, do you have any questions?

Mr. HORAN. If there is going to be any issue before the Congress on agricultural policy I suggest that it will be in the consideration of the Office of Foreign Agricultural Services, because it is apparent to me that the Benson administration is going to attempt to aggressively attack the problem of foreign exports of American production.

Pretty soon we will have Mr. Gordon's group here discussing the International Wheat Agreement, which is more or less a closed book after agreement has been reached. I assume the budget officer will have a complete analysis of Sugar Act funds, of section 32 funds, and of Commodity Credit Corporation available funds in regard to what we may attempt to do in some new field. In our consideration of the Office of Foreign Agricultural Services, that will have a clear relationship to page 216 in the justifications in relation to what we may be planning to do in the field of foreign agricultural services. Is that true, Mr. Wheeler?

Mr. WHEELER. Yes; particularly with respect to section 32. As we point out in the estimate, and also in the Secretary's statement when he appeared here, we do anticipate an increase to approximately $200,000 in the amount that would be allotted from section 32 to the Office of Foreign Agricultural Services for increasing the direct effort to sell American agricultural commodities abroad. That is a direc. tie-in between the Foreign Agricultural Service and this appropriationt

Mr. HORAN. You recall when we had Mr. Bensen up here in February that I mentioned to Mr. Coke at that time that when the Office of Foreign Agricultural Services appeared before us I wanted a discussion of the two-price system, because whether we recognize it as such or not, we have virtually that with us in several of our programs. Practically all of the items listed here could be considered in the light of a two-price system, brought about by the fact that we have to deal with a world that has hard and soft currencies. It is a world that we have to live in as it is, not as we wish it were, and so for that reason I would suggest that the relationship of this item, and other items that may have been before us before of that may come before us, be correlated and that their relationship be brought out very clearly. I have asked for that same program in the flood control and flood prevention discussion that we will have before this subcommittee this week also.

INTERNATIONAL WHEAT AGREEMENT

Amounts available for obligation

Appropriation or estimate (obligations incurred), 1952 ..... $76,808,000

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Reimbursement to Commodity Credit Corporation for—			
1. Program costs	$75,636,722		
2. Interest costs	1,171,278		
Obligations incurred	76,808,000		

Obligations by objects

11 Grants, subsidies, and contributions: Repayment to Commodity Credit Corporation, 1952 ..... $76,808,000

Analysis of expenditures

Obligations incurred during the year (total expenditures out of current authorizations), 1952 ..... $76,808,000

Mr. ANDERSEN. Let us go on to the next item, gentlemen, International Wheat Agreement. We will insert pages 581 and 582 in the record and also the table following page 584 of the justifications.

(The matter referred to is as follows:)

REQUEST FOR AUTHORIZATION TO SECRETARY OF TREASURY TO CANCEL NOTES OF COMMODITY CREDIT CORPORATION TO COVER COSTS INCURRED DURING FISCAL YEAR 1952 FOR OPERATIONS UNDER THE INTERNATIONAL WHEAT AGREEMENT

PURPOSE STATEMENT

The purpose of the International Wheat Agreement, ratified by the United States Senate on June 13, 1949, is to bring about an element of stability in the world wheat trade. The agreement operates to assure supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices and thereby to eliminate burdensome surpluses on the one hand and critical shortages on the other.

The annual volume of world wheat trade covered by the wheat agreement is 581 million bushels of wheat or wheat products expressed in terms of bushels of wheat. Of this quantity, the United States guarantees to supply 253 million bushels during the 1952–53 crop year to participating nations at a price not in excess of $1.80 per bushel, Port Arthur basis. Section 2 of the International Wheat Agreement Act of 1949 (Public Law 421, 81st Cong.) authorizes the President, "acting through the Commodity Credit Corporation, to make available or cause to be made available, * * * such quantities of wheat and wheat flour and at such prices as are necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States under the International Wheat Agreement * * *." Section 2 of the act also authorizes the appropriation of such sums as may be necessary to pay Commodity Credit Corporation for costs incurred in carrying out its functions under the statute, and authorizes the Corporation, in advance of such appropriations, to utilize any funds available to it to facilitate the discharge of its responsibilities under the act.

Authorization to the Secretary of the Treasury to cancel notes issued by the Commodity Credit Corporation:	
Authorization, 1953 (1951 costs)	$182,162,250
Budget estimate, 1954 (1952 costs)	171,740,395
Appropriation Act, 1953 (fiscal year 1951 program): Authorization to cancel notes	182,162,250
Budget estimate, 1954 (fiscal year 1952 program): Authorization to cancel notes	171,740,395
Change in authorization to cancel notes	−10,421,855

Project statement

By project or function	Authorization, 1953 (fiscal year 1951 program)	Increase or decrease	Estimate, 1954 (fiscal year 1952 program)
Program costs	$178,371,832	−$11,200,351	$167,171,481
Interest costs	3,790,418	+778,496	4,568,914
Total	182,162,250	−10,421,855	171,740,395

Wheat and wheat flour (bushel equivalent) exported from the United States pursuant to the terms of the International Wheat Agreement, fiscal year 1952

Importing country	Source of exports				Amount due CCC	Average cost to CCC per bushel
	CCC price support program	CCC supply program	Commercial	Total		
	Bushels	*Bushels*	*Bushels*	*Bushels*		
Austria	1,524,320		9,473,940	10,998,260	$7,646,853	$0.69
Belgium	183,717		8,333,627	8,517,344	5,672,628	.67
Bolivia			782,100	782,100	418,304	.53
Brazil			10,651,278	10,651,278	6,059,465	.57
Ceylon			1,413,612	1,413,612	896,524	.63
Costa Rica			461,304	461,304	285,181	.62
Cuba			4,053,550	4,053,550	2,659,112	.66
Denmark			1,102,100	1,102,100	838,737	.76
Dominican Republic			420,005	420,005	266,556	.64
Ecuador	73,485		807,458	880,943	561,998	.64
Egypt			8,052,764	8,052,764	4,805,265	.60
El Salvador			389,126	389,126	213,618	.55
Germany	3,440,608		36,407,639	39,848,247	26,787,256	.67
Greece	14,186,560			14,186,560	9,782,115	.69
Guatamala			622,822	622,822	398,884	.64
Haiti			801,327	801,327	511,126	.64
Honduras			248,298	248,298	142,781	.58
Iceland			258,527	258,527	183,905	.71
India	18,532,967		9,970,468	28,503,435	19,028,842	.67
Indonesia			1,976,354	1,976,354	1,327,466	.67
Ireland			1,150,569	1,150,569	774,444	.67
Israel			4,617,587	4,617,587	3,028,918	.66
Italy	3,444,645		14,682,793	18,127,437	12,168,883	.67
Japan			13,637,307	13,637,307	8,591,733	.63
Lebanon			2,469,096	2,469,096	1,518,788	.62
Liberia			13,384	13,384	8,219	.61
Mexico			11,065,612	11,065,612	6,929,719	.63
Netherlands	261,333		16,017,098	16,278,431	10,822,966	.66
Nicaragua			128,118	128,118	73,045	.57
Norway			5,022,100	5,022,100	3,237,793	.64
Panama			370,998	370,998	229,378	.62
Peru			3,331,836	3,331,836	1,868,042	.54
Philippines			3,216,195	3,216,195	2,095,488	.65
Portugal	649,600		3,946,721	4,596,321	3,152,230	.06
Saudi Arabia			1,422,524	1,422,524	1,044,245	.73
Spain			1,102,362	1,102,362	749,606	.68
Sweden			1,095,066	1,095,066	673,139	.62
Switzerland			2,113,558	2,113,558	1,174,995	.56
Trizone	8,806,212	146,085		8,952,297	5,634,243	.63
Union of South Africa	3,291,726			3,291,726	2,158,292	.66
United Kingdom	1,005,200		15,270,745	16,275,945	11,073,959	.68
Venezuela			2,341,201	2,341,201	1,493,785	.64
Total	55,400,373	146,085	199,241,168	254,787,626	[1] 167,171,481	.65½
Interest cost					4,568,914	
Grand total	55,400,373	146,085	199,241,168	254,787,626	[1] 171,740,395	.67

[1] Includes $242,955 for administrative expenses.

Mr. ANDERSEN. Mr. Gordon, will you make a general statement on this program?

GENERAL STATEMENT

Mr. GORDON. Well, as you gentlemen probably know, the International Wheat Agreement has finally been worked out and has been signed, or it is in the process of being signed.

It called for a price of $2.05 a bushel maximum, including approximately 6 cents in carrying charges which heretofore have not been a part of the price, as I understand it.

Now, that would reduce the average subsidy involved for the 4 years from approximately 62 cents a bushel to 42 cents a bushel, a substantial reduction.

England, of course, has not signed as yet, and has given no indication as to whether she will, but as I understand it most other nations have.

That is about the situation as I have learned it from the Under Secretary who participated in the negotiations and from the papers.

ACTIVITY OF ADVISORY COMMITTEE AND COUNCIL

Mr. HORAN. If the subcommittee will permit, I would like to make a short statement here.

I have been a member of the Advisory Committee for the International Wheat Agreement. I have worked very closely with the gentlemen in the Department who have had this responsibility. Briefly, the picture is this: There are 46 nations presently in the International Wheat Agreement. There are four so-called supplying nations. It is interesting to note that only two of them are important.

The first act of the present negotiations of the International Wheat Agreement Council when they met last April in London was to reduce the commitment from Australia, from somewhere in the neighborhood of an 80-million bushel commitment, by approximately 16 million bushels. That had been done because the world wool price had encouraged the Australian producers to turn to wool production rather than wheat.

France makes a mere token contribution of some 10,000 tons, I believe it is. It is a very small contribution, leaving Canada and the United States, among the three nations who participate in this agreement as the principal suppliers.

It is obvious that England insofar as refusing to sign is playing her usual Yankee-trading game, and, yet, she can turn nowhere else for a supply of wheat.

She can only turn to the Argentine, which is having economic troubles of her own, or the breadbasket of Europe, which is under the domination of Russia. The rice countries are begging for wheat. So, England is playing a losing game here, in my opinion, and, if she wants wheat, she will have to sign up.

Last spring we met with other advisory groups before the Department of Agriculture, and we did insist that the opening bargaining price be in accordance with our cost of producing. Mr. Marshall is also a member of this Adivsory Group and will recall this. We got no place with our opening price. However, we did state our case. Negotiations have been going on since that time and were finally consummated, as I understand, last Friday.

Mr. GORDON. Yes.

Mr. HORAN. At $2.05 top, as against a ceiling of $1.80, which was the prior agreement which was entered into in 1948.

Mr. GORDON. Yes, sir; that is right.

Mr. HORAN. With a floor of $1.55 as against the floor of $1.20 which had been in the prior agreement.

Mr. GORDON. It was $1.20 or $1.30.

Mr. HORAN. Whatever it is, place the exact figure in the record, please.

(The information requested follows:)

The minimum price set by the present agreement ranges from $1.50 per bushel in the first year to $1.20 in the present year for No. 1 Manitoba wheat at Fort William, Port Arthur, Canada.

Mr. HORAN. Our own commitments for the next 4 years, as I understand it, barring disaster in this country, will rise as high as 275 million bushels, with which I am in agreement, excepting that if we do have a disaster and need our wheat, I trust that we may have the same consideration that Australia had in London last year and have our commitment reduced according to our needs here at home.

I think my own reaction is that the International Wheat Agreement in this world, as we have to live in it, is essential to our well-being. It may not be the type of thing we want. We would like to encourage private trading and go back to the old Liverpool days, but that is not the world we live in today, and the International Wheat Agreement to a country that does encourage production is essential to our needs. Having cut down the obligations that this subcommittee will have to consider through the years, through the retirement of Commodity Credit Corporation funds to the extent of about 40 cents a bushel, it probably is in our national interest.

I just wanted to make that statement because I have been close to this and tried to follow it and have tried to be useful in connection with it.

Mr. LAIRD. It used to be about 60 cents, but under this new agreement will it not amount to about 45 cents now?

Mr. HORAN. No; we have been able to cut that down lately.

Mr. GORDON. It has averaged 62 and it is cut down to 42 now.

Mr. LAIRD. Down to 42?

Mr. GORDON. Yes.

Mr. HORAN. It is my understanding that as of last night 18 countries had signed, and others were negotiating with their home offices to clear their signatures. I understand that agreement papers are in the State Department now awaiting signatures.

Mr. LAIRD. It reached a peak of about $2.60 this last year.

Mr. BEACH. The cost of present agreement is the difference between the subsidy rate, $1.80 and $2.60, our market price. So, if you raise the basic price in the agreement to $2.05 you narrow the differential and reduce the subsidy cost.

Mr. LAIRD. That would be narrowed down from $2.60 to $2.05?

Mr. BEACH. No; the difference is not the difference between $2.60 and $2.05, but the change in the agreement has been the raise from $1.80 to $2.05.

Mr. HORAN. Mr. Marshall is also a member of the Advisory Committee from the Congress on this matter.

Mr. MARSHALL. Mr. Chairman, I would like to make this comment, that I have had the opportunity of serving on this Advisory Committee, and I have noted the great interest that our colleague, Mr. Horan, has shown, and I do feel that his contribution to the welfare of this country has been tremendous in the work that he has done in connection with the International Wheat Agreement.

I have great respect for his judgment, as I am sure that others of our colleagues will have when this matter comes to the floor because he has been a deep student of the entire matter.

COST OF PROGRAM TO EXPORT SUBSIDIES

Mr. HORAN. I wonder if you would state for the record the percent of the cost of the International Wheat Agreement program to the export subsidies? Is that available?

Mr. BEACH. You mean section 32 export subsidies?

Mr. HORAN. I think those are the only export subsidies that we have outside of sugar, if you call those export subsidies. I think they are actually import subsidies.

Mr. BEACH. Under the Sugar Act we charge a tax on the imports.

Mr. HORAN. I think it is almost self-supporting.

Mr. GORDON. It is more than self-supporting. We are over $200 million ahead on sugar.

(The information requested is as follows:)

The cost of section 32 export differential payments in the fiscal year 1952 was $16,763,083. The cost of the International Wheat Agreement for that year was $171,740,395.

Mr. HORAN. I want to thank you gentlemen. This committee will recess until 1:30.

WEDNESDAY, APRIL 15, 1953.

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

WITNESSES

J. EARL COKE, ASSISTANT SECRETARY OF AGRICULTURE
D. A. WILLIAMS, CHIEF, AGRICULTURAL CONSERVATION PROGRAMS
FRED RITCHIE, DEPUTY CHIEF, AGRICULTURAL CONSERVATION PROGRAMS
JAMES M. HUNT, CHIEF, PROGRAM ANALYSIS DIVISION, AGRICULTURAL CONSERVATION PROGRAMS
R. P. BEACH, BUDGET OFFICER, PRODUCTION AND MARKETING ADMINISTRATION
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$290,980,000	$251,747,866	$252,436,000
Prior year balance available		1,590,230	
Reimbursements from non-Federal sources	328,310	270,000	270,000
Reimbursements from other accounts	106,512	130,000	130,000
Reimbursements from Commodity Credit Corporation—loans	46,000,000	41,000,000	41,000,000
Total available for obligation	337,414,822	294,738,096	293,836,000
Unobligated balance, estimated savings	−85,407		
Balance available in subsequent year	−1,590,230		
Obligations incurred	335,739,185	294,738,096	293,836,000

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of aerial photographs (7. U. S. C. 1387).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. Conservation aids to farmers	$285,000,000	$256,747,866	$250,000,000
2. Additional measures to accelerate flood prevention			2,436,000
3. Farmland restoration in flood-stricken areas	29,304,363	1,590,230	
4. Payment of loan from Commodity Credit Corporation	21,000,000	36,000,000	41,000,000
5. Obligations under reimbursements from non-Federal sources	328,310	270,000	270,000
Total direct obligations	335,632,673	294,608,096	293,706,000
Obligations Payable Out of Reimbursements From Other Accounts			
1. Conservation aids to farmers	106,512	130,000	130,000
Obligations incurred	335,739,185	294,738,096	293,836,000

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Total number of permanent positions	21	55	
Full-time equivalent of all other positions	6	37	
Average number of all employees	68	178	
Average salaries and grades:			
General schedule grades:			
Average salary	$4,295	$4,046	
Average grade	GS-6.2	GS-5.9	
Direct Obligations			
01 Personal services:			
Permanent positions	$264,873	$583,000	
Part-time and temporary positions	17,922	107,500	
Regular pay in excess of 52-week base	680	700	
Payment above basic rates	30,804	12,300	
Total personal services	314,279	703,500	
02 Travel	38,242	44,000	
03 Transportation of things	13	1,400	
04 Communication services	1,936	4,800	
05 Rents and utility services	606	1,300	
06 Printing and reproduction		600	
07 Other contractual services:			
Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392	4,948,093	4,968,474	4,968,024
"Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture," pursuant to 7 U. S. C. 1388	21,242,800	22,561,818	27,527,976
Other	10,149	23,300	
08 Supplies and materials	16,577	33,580	
09 Equipment	776	500	
11 Grants, subsidies, and contributions	288,058,860	230,263,724	220,210,000
15 Taxes and assessments	342	1,100	
Not distributed by objects: Repayment of loan from Commodity Credit Corporation	21,000,000	36,000,000	41,000,000
Total direct obligations	335,632,673	294,608,096	293,706,000
Obligations payable out of reimbursements from other accounts			
11 Grants, subsidies, and contributions	106,512	130,000	130,000
Obligations incurred	335,739,185	294,738,096	293,836,000

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$49,613,776	$77,455,478	$60,793,574
Obligations incurred during the year	335,739,185	294,738,096	293,836,000
	385,352,961	372,193,574	354,629,574
Deduct:			
Net loan from Commodity Credit Corporation	46,000,000	41,000,000	41,000,000
Adjustment in obligations of prior years	261,919		
Reimbursable obligations	434,822	400,000	400,000
Unliquidated obligations end of year	77,455,478	60,793,574	59,004,574
Total expenditures	261,200,742	270,000,000	254,225,000
Expenditures are distributed as follows:			
Out of current authorizations	215,291,793	195,000,000	196,225,000
Out of prior authorizations	45,908,949	75,000,000	58,000,000

Mr. ANDERSEN. The committee will come to order. We will take up the "Conservation and use of agricultural land resources" appropriation. We will insert in the record pages 82 through 86 and 93 through 99 of the justifications, and a statement showing the revised estimate compared with the original estimate.

(The pages referred to are as follows:)

Purpose Statement

1. *Conservation aids to farmers.*—The agricultural-conservation program is authorized under the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, and is financed from the appropriation item "Conservation and use of agricultural land resources."

The size of the program is determined each year by the Congress and is stated as an advance authorization in the annual appropriation act. On the basis of the amount authorized, allocations are made to the States based upon conservation needs in accordance with a formula contained in the appropriation act.

The purposes of the act include (1) restoring and improving soil fertility, (2) reducing erosion caused by wind and water, and (3) conserving water on the land. To effectuate these purposes, the agricultural-conservation program offers assistance to individual farmers and ranchers in all of the 48 States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands for carrying out approved soil-building and soil-and-water conserving practices on their farms.

Assistance is offered only for the practices considered necessary to meet the most urgently needed conservation problems of the farm and then only if it is believed that farmers would not perform the practices to the required extent without such assistance.

Practices that have been receiving assistance generally fall into four major classes:

1. Construction practices, such as terracing, leveling land, and building dams to protect against erosion or to conserve water.
2. Establishing protective land uses such as pastures of perennial grasses and other protective permanent cover, including mineral supplements necessary thereto.
3. Growing cover crops, such as winter or annual legumes, for soil protection and improvement.
4. Applying minerals such as lime and phosphate to pasture and hayland sods.

Assistance is available in the form of—

1. Partial payment of the purchase price of materials and services needed by the farmer for carrying out approved practices, or
2. Partial reimbursement to farmers who have carried out approved practices at their own expense.

Materials and services are obtained through local private sources where practicable.

Rates of assistance vary by practices and by States and areas so as to make the most effective use of available funds. The average rate of assistance for all practices is less than one-half the cost of performing the practice. The farmer bears the balance of the cost and, in addition, supplies the labor necessary to carry out the practice.

2. *Additional measures to accelerate flood prevention.*—Assistance on individual farms will be offered for additional measures to accelerate flood prevention in the Brazos, Delaware, Pecos, Savannah, Scioto, Sny, and upper South Platte watersheds in accordance with integrated workplans prepared jointly by agencies of the Department having responsibility for the various phases of the program.

	Appropriated, 1953	Revised budget estimate, 1954
Appropriated funds:		
Regular agricultural-conservation program	$251,747,866	$211,982,000
Additional measures to accelerate flood prevention		
Total	251,747,866	211,982,000

Conservation and use of agricultural land resources

		On direct appropriation basis	On basis of program authorizations
Agricultural conservation program:			
Appropriation act, 1953		$251,754,142	[1] $256,500,000
Reductions pursuant to:			
Sec. 411	$76		
Sec. 412	6,200		
		−6,276	
Adjusted appropriation, 1953, and base for 1954		251,747,866	256,500,000
Revised budget estimate, 1954		211,982,000	[2] 250,000,000
Decrease		−39,765,866	[2] −6,500,000

[1] Amount of advance authorization contained in 1952 Agricultural Appropriation Act.

[2] Although the advance authorization in the 1953 Agricultural Appropriation Act was $250 million for the crop year 1953, current estimates indicate that only $240,599,240 will be required to meet program commitments, a decrease of $9,400,760. This amount, together with the decrease of $6,500,000 in the authorization, results in a total reduction of $15,900,760.

Summary of increases and decreases (on a basis of program authorization)

Decrease in conservation aids to farmers in carrying out conservation measures in the 1953 crop year program compared with the 1952 program	−$6,500,000
Decrease due to elimination of a reserve for contingencies ($2,499,521) and a reduction in other program expenses, primarily in the cost of aerial photography ($808,897)	−3,308,418
Decrease in program funds used in 1953 for special contacts with farmers to adopt more permanent-type practices	−5,516,900
Decrease in PMA county committee operating expenses	−350,442
Decrease in national and State office operating expenses	−225,000

The agricultural conservation program is operated on a calendar (crop) year basis. The 1952 program which closed December 31, 1952, is financed from funds provided in the 1953 Agricultural Appropriation Act. In that act, the Congress authorized the formulation and administration of a 1953 agricultural conservation program amounting to $250 million for which program the 1954 budget estimate is submitted, as reflected in the project statement below.

Project statement

Project	1951 (fiscal year 1952) (estimated)	1952 (fiscal year 1953) (estimated)	Increase or decrease	1953 (fiscal year 1954 revised) (estimated)
Agricultural conservation program:				
Conservation aids to farmers	$246,100,000	$219,832,100	−$6,500,000	$213,332,100
Other program expenses and reserve for contingencies	1,657,047	4,396,858	−3,308,418	1,088,440
Program funds used for operating expenses for contacts with farmers to adopt more permanent-type practices		5,516,900	−5,516,900	
PMA county committee operating expenses	20,284,000	21,855,618	−350,442	21,505,176
National and State office operating expenses	4,898,043	4,898,524	−225,000	4,673,524
Subtotal	272,939,090	256,500,000	−15,900,760	240,599,240
Farm land restoration program in flood-stricken areas	30,980,000			
Total available	303,919,090	256,500,000	−15,900,760	240,599,240
Reductions pursuant to secs. 411 and 412		+6,276		
Adjustments: Difference in amount used for advance purchase of conservation materials and services from prior fiscal year appropriation for current program and amount to be used for advance purchase of conservation materials and services from current fiscal year appropriation for ensuing calendar year	−1,089,090	−5,341,912		
Received by loan from CCC	−46,000,000	−35,410,222		
Repayment of loan from CCC	+34,150,000	+36,000,000		
Total appropriation or estimate	290,980,000	251,754,142		

Advance authorization for the 1954 agricultural conservation program

The revised budget estimates propose an authorization for the 1954 agricultural conservation program amounting to $140 million. This is for a program limited to assistance on the more lasting or more permanent type conservation practices.

Under the agricultural conservation program and the soil and water conservation activities of local, State, and other Federal agencies, extensive progress has been made in reducing erosion and rebuilding soil fertility. The Nation has become aware that the concept of inexhaustible resources is false and that the amount of land available for production is very definitely limited. While approved varieties of seed, more and better fertilizers, mechanization, and other improved farming methods are essential to efficient farming operations, these can be most effective only if our basic agricultural resources are used according to their capabilities and treated according to their needs.

The estimates provide for modification of the program in 1954 through elimination of payments for recurring annual practices. The proposed advance authorization for permanent-type practices is at a level somewhat higher than for similar practices in 1952, and above that estimated for 1953. It is believed that farmers can and should be expected to carry the recurring annual type practices with their own resources as part of a sound conservation farming operation.

On the other hand financial assistance is especially important and needed for the permanent-type practices such as erosion control, drainage, and forestry which require a substantial outlay of cash and which do not result in immediate cash returns. Although a farmer may recognize the need for carrying out this type of practice, he is influenced by the fact that his interest in the land may be for a relatively short period of time. The interest of the Nation, on the other hand, is for an indefinite period of time. Its strength and welfare depend upon the continued productivity of the soil and water resources.

Status of program

The level of production which American agriculture has been able to achieve has contributed as much to the strength of this Nation and its world position as any other single factor. It is essential that an adequate and effective conservation program embodying a coordinated approach to the conservation problem be carried out to assure positive performance by individual farmers of measures to build up and maintain the Nation's agricultural resources.

Objectives

The objectives of the agricultural conservation program are (1) to restore and improve soil fertility, (2) to reduce erosion caused by wind and water, and (3) to conserve water on the land. To achieve these objectives assistance in cash or conservation materials and services is offered to individual farmers and ranchers for carrying out practices to maintain permanently the productive resources on each farm. This assistance makes it economically possible for a larger number of farmers and ranchers to carry out a greater volume of practices so essential in keeping the national agricultural resources in condition to produce adequate supplies of food, feed, and fiber.

Changes in agricultural conservation program

Up through the 1943 program year, two types of payments were offered under the Agricultural Conservation Program:

1. Soil-building or practice payments for seeding soil-building crops or for carrying out approved soil-conservation practices on cropland, pasture, or woodland; and
2. Soil-conserving or diversion payments for shifting acreage from soil-depleting or intensively cultivated row crops to soil-conserving crops. National goals were established for soil-depleting and intensively cultivated row crops and distributed among farms as acreage allotments which were used for measuring the extent of conservation performed on a farm.

Beginning with the 1944 program, assistance has been provided only for carrying out soil-building and soil- and water-conserving practices. Each year greater emphasis is being placed upon providing assistance only for the performance of practices which will contribute the most toward safeguarding the productivity of the national agricultural resources. As prescribed by law, the agricultural conservation program is formulated on the basis of conservation needs as determined by the Secretary.

Program development

The agricultural conservation program is developed, at the National, State, and county levels, insofar as practices and rates of assistance are concerned, jointly by Production and Marketing Administration, Soil Conservation Service, and Forest Service representatives. They are assisted by recommendations from the Extension Service, Farmers' Home Administration, and Soil Conservation District governing bodies and other Federal and State agricultural agencies interested in conservation work. The agricultural conservation program offers assistance at specified rates, to farmers who carry out practices which will:

1. Maintain or increase soil fertility;
2. Control and prevent soil erosion caused by wind and water;
3. Encourage conservation and better agricultural use of water;
4. Conserve and increase range and pasture forage, or
5. Conserve and improve farm woodland.

The practices included in the program are those which would not be carried out in the desirable volume on the basis of relative conservation needs unless assistance is given.

1951 agricultural conservation program

Participation.—2,567,683 farmers participated in the 1951 agricultural conservation program and participating farms included about 58 percent of the Nation's cropland. The following table shows the percentage of participation and the gross amounts available for assistance to farmers under the 1950 and 1951 programs.

TABLE I.—*Participation and gross assistance, 1950 and 1951*

Program year	Participation				Gross assistance
	Farms	Farmland	Cropland	Pasture	
	Percent	*Percent*	*Percent*	*Percent*	($1,000)
1950	46	56	64	50	252,006
1951	43	52	58	47	246,100

TABLE II.—*Practices carried out—Estimated conservation needs compared with extent of practices carried out (selected permanent practices)—Amount performed under 1951 program and 1936–51 programs*

Practice	Unit	Estimated total need [1]	Amount performed under 1951 program	Amount performed under 1936–51 programs
Dams	Earthen structures.	2,624,015	75,759	1,118,918
Drainage	Acres	69,286,041	2,389,458	28,735,660
Permanent sod, waterways	1,000 square feet	206,361,666,720	1,863,740	15,612,325
Standard terraces	Acres	106,847,661	1,237,791	19,618,989
Tree planting	do	29,400,225	112,655	1,014,972
Permanent cover	do	8,311,261	242,168	2,398,393
Pasture seeding	do	148,000,379	6,925,686	58,856,504

[1] Approved by Secretary August 1951; needs remaining after 1949.

TABLE III.—*Estimated annual needs compared with extent of practices carried out under 1951 program (selected annual and recurring practices)*

Practice	Unit	Estimated annual need [1]	Amount performed under 1951 program
Application of liming materials	Tons	80,730,193	21,452,070
Application of 20 percent-superphosphate	do	17,324,181	3,086,044
Contour farming [2]	Acres	182,742,498	3,743,062
Field stripcropping	do	31,906,079	6,997,353
Green manure and cover	do	103,655,122	18,196,687

[1] As estimated in 1951.

[2] Includes cross-slope farming.

1952 agricultural conservation program

The 1952 agricultural conservation program is redirected and geared more positively to the needs of each individual farm. Emphasis was placed upon giving each cooperating farmer every assistance possible in working out a first-things-first, year-by-year conservation program for his farm that would tie in directly with present production needs and also help assure the increased production needed in the future. In a group of special counties—at least one county in each State—each farmer was directly assisted by his elected community committeeman in developing a program for his farm.

1953 agricultural conservation program

Every effort will be made in the 1953 agricultural conservation program to see that the program assistance is directed to those soil and water-conservation practices which farmers would not carry out to the extent necessary for the national welfare without this assistance, and shifted away from those practices which are becoming established in farmers' regular operations on their farms. This assistance is to be used to encourage and aid farmers to carry out conservation over and above what they would do with their own resources and on their own initiative.

The practices to be included at the local level and for individual farms will be aimed toward the most permanent benefit to the productive capacity and conservation of the agricultural resources of the area. Each county program will be integrated with the objectives of the broad general conservation programs of the area, such as flood prevention, wind and water erosion, or changing land use.

The 1953 appropriation act provides for transfer of a minimum of $2,500,000 to the Soil Conservation Service for technical assistance in connection with the 1953 agricultural conservation program. Funds in the amount of $2,500,000 have been allocated to the States with instructions that such amounts may be utilized only for the purpose indicated. Indications are that total transfers to the Soil Conservation Service from the 1953 appropriation will exceed the $2,500,000 indicated as a minimum goal by an estimated $1 million.

The 1953 Appropriation Act also provides for the use of at least $1 million in those areas and on those conservation measures which contribute directly to the flood-prevention work of the Department. It is estimated that in excess of $4 million will be used for this purpose in the eleven watersheds.

Need for conservation practices

American agriculture faces the enormous task of stepping up production to meet the needs of a rapidly growing population and most of this increase will have to come from land now in use.

In order to assure adequate production to meet the requirements of this country in the future, it is essential that the extent and volume of practices to protect the agricultural resources and build up productive capacity be increased. The conservation job cannot be deferred. In fact, delay will make the job bigger and it will cost many times more.

Administrative expense allocations to States are based upon workload indicators for the previous year. Adjustments are made for any anticipated changes in program operations.

In arriving at the amount which will be required by each State for State and county office operations, consideration is given to such factors as the number of applications, number of counties, conservation materials and services furnished, number of purchase orders, or purchase order vouchers handled, etc. A weight is assigned to each factor on the basis of the specific jobs which will have to be done in connection therewith for use in distribution of available funds.

COMPARISON OF ORIGINAL AND REVISED ESTIMATES, 1954

Project	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
Conservation aids to farmers	$213,332,100	$213,332,100	
Other program expenses and reserve for contingencies	4,396,900	1,088,440	−$3,308,460
PMA county committee operating expenses	27,372,476	21,505,176	−5,867,300
National and State office operating expenses	4,898,524	4,673,524	−225,000
Total, above items	250,000,000	240,599,240	−9,400,760
Adjustments		−28,617,240	−28,617,240
Total, 1953 agricultural conservation program	250,000,000	211,982,000	−38,018,000
Additional measures for acceleration of flood prevention	2,436,000		−2,436,000
Total appropriation or estimate	252,436,000	211,982,000	−40,454,000

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATES, 1954

The 1953 agricultural conservation program was planned on the basis of the $250 million authorization carried in the 1953 Department of Agriculture Appropriation Act. The savings and adjustments detailed below make it possible to carry out this program with an appropriation in 1954 of $211,982,000 without reducing the funds needed to meet commitments to farmers.

(1) A decrease of $3,308,460 due to reduction of $808,897 in other program expenses including aerial photography and elimination of $2,499,563 held as a reserve for contingencies.

(2) A decrease of $5,867,300 due to a reduction in PMA county committee expenses.

(3) A decrease of $225,000 in National and State office expenses due to reducing operations to a minimum level.

(4) A decrease of $28,617,240 composed of: (*a*) a reduction of $19,217,222 in the amount of the program for purchase of advance conservation materials and services for the 1954 program as compared to such purchases for the 1953 program and (*b*) a reduction of $9,400,018 representing the net difference between the amount to be borrowed in 1954 from the Commodity Credit Corporation ($25,000,000) and the amount of the 1954 appropriation to be used for repayment of borrowings from CCC ($15,599,982).

(5) A decrease of $2,436,000 due to elimination of the original increase for additional land treatment measures for acceleration of flood prevention in 7 selected watersheds.

Mr. ANDERSEN. Mr. Coke, as Assistant Secretary in Charge of Conservation, would you like to make a statement at this point?

BACKGROUND OF ASSISTANT SECRETARY

First I should like to insert in the record at this point a résumé of your experience and background. We have done that with each of the new Assistant Secretaries as we have had them before us.

(The information is as follows:)

J. EARL COKE, ASSISTANT SECRETARY OF AGRICULTURE

Since 1949 Mr. Coke has been director of the agricultural extension service in California, and for approximately 30 years his agricultural career has been divided between public service and private industry. Before serving as director of extension in California, he was vice president of the Spreckles Sugar Co. in charge of operations.

As a State extension director, Mr. Coke stressed the importance of bringing agricultural services closer to the farmer. In California, where 200 or more different crops are grown, this was done by developing agricultural specialists to serve the greatly varied needs of farmers in that State. Special attention was given to 4–H Club work under Mr. Coke's directorship, membership in these

clubs in the State having risen from 16,000 in 1949 to the present figure of 22,000. Mr. Coke also has been active in developing certified seed programs in California.

The new Assistant Secretary is a native of California. He was born May 28, 1900, on a dairy farm near Downey. He attended high school at Ontario, Calif., and was graduated in agriculture from the University of California in 1923, where he specialized in agronomy. His agricultural career began as an assistant county agent in San Luis Obispo county. He later became an extension specialist in agronomy at the University of California. He is a member of the agricultural committee of the San Francisco Chamber of Commerce.

In 1922 Mr. Coke was married to Madelene Fulton, with whom he had attended high school in Ontario. They have two married sons—James E. Coke, Jr., who is an architect in San Francisco; the other, Thomas R. Coke, is a student at State College, San Jose, Calif.

Mr. ANDERSEN. Will you proceed now, please?

Mr. COKE. I should like to read a short general statement, to be followed by a more detailed statement of the conservation program by Mr. Williams.

Mr. ANDERSEN. We will be glad to hear later from Mr. Williams.

GENERAL STATEMENT OF MR. COKE

Mr. COKE. It is a pleasure to have the opportunity of again appearing before this committee with respect to the soil and water conservation programs of the Department for the fiscal year 1954. The agricultural conservation program, is one of the important segments of the total effort for achieving necessary conservation of soil and water resources. Financial assistance is, however, supplemental to research, education, and technical assistance as a part of the total public conservation effort. Without question, incentive payments to farmers for performance of conservation practices has been a major stimulus to initiating conservation work by farmers in all parts of the Nation. More and more as we look to the future, there appears to also be a need for more adequate credit as a means of further stimulating conservation work.

There is little question, I believe, of the importance to our country of adequate conservation and improvement of our soil and water resource. It must receive the continuing attention of the farmer, the businessman, and all public agencies if the job is to be properly and adequately done. We need, I am convinced, to take not only a short-range but a long-range view of this work. While there may be temporary periods of crop surpluses in which our conservation efforts will need some adjustment, we must also recognize that the future peace and prosperity of this Nation necessitates the protection and maintenance of our land and water resources.

Because of the interrelationship of financial assistance with the other phases of the job and the continuing necessity for appropriate integration of this total effort, Secretary Benson has placed the administration of the agricultural conservation program under the direction of the Assistant Secretary in the research, extension, and land-use group. The Secretary announced in his memorandum No. 1320 that, for an interim period, the facilities of the Production and Marketing Administration would be utilized in helping to carry out this work.

Policies and procedures for the program at the national level are the responsibility of ACP. Most of the facilitating services, such as budgeting, fiscal accounting, auditing, procurement, and personnel

are still being supplied to ACP by the PMA organization through allocation of funds for that purpose.

The PMA State, county, and community committees continue to have policy and program execution responsibility at their respective levels. There is no plan at this time for changing this arrangement. The program proposed for 1954 has been projected on the basis of utilizing the committee system as provided in the Conservation and Domestic Allotment Act.

Recent adjustments in the committee system at the State and county levels, as announced by the Secretary, were designed to make more effective use of farmer committeemen, to simplify administration, and to promote efficiency. We are confident that these adjustments, when fully achieved, will permit more attention to policy matters by committeemen and decrease their involvement with routine execution and facilitating matters. It will also result in some economies in the cost of operating which are reflected in the budget proposal. We will give continuing attention to improving the efficiency with which this program is carried out.

The Department has considered it desirable to carefully examine the need for financial assistance as a part of the soil and water conservation job. The budget and type of program which we are recommending for your consideration are in keeping with our analysis.

Mr. Williams, Chief of the Agricultural Conservation Programs Branch, and members of his staff are prepared to review with you the status of the current program and that proposed for 1954. By way of introduction, I wish to point out that Mr. Williams, who took this assignment on February 11, 1953, has been with the Department for nearly 18 years. All of that time he has been engaged in soil and water conservation work, most of it with the Soil Conservation Service, and is well acquainted with the many phases and problems of conservation throughout the country.

Mr. ANDERSEN. Mr. Coke, before we hear from Mr. Williams, I want to comment on one or two things in your very good statement.

I am glad to see that you feel that we must recognize that the future peace and propsperity of this Nation necessitates the protection and maintenance of our land and water resources. To me that is absolutely fundamental.

I am also glad to see from your statement that in carrying out the program proposed for 1954 you will utilize the committee system, as provided in the Conservation and Domestic Allotment Act.

Mr. Williams, we will be glad to hear from you at this time.

GENERAL STATEMENT OF D. A. WILLIAMS, CHIEF OF AGRICULTURAL CONSERVATION PROGRAM

Mr. WILLIAMS. Mr. Chairman and gentlemen of the committee, we appreciate the opportunity of presenting information concerning the current and proposed agricultural conservation program. Because this is the first appearance before this committee of ACP as a separate agency of the Department as well as the first for me as Chief of ACP, I believe it desirable to rather carefully review the status of the program.

ACP PRIOR TO 1953

Since its beginning in 1936, the agricultural conservation program has been reviewed each year and its annual activity directed to the problems considered uppermost by administering officials. Factors influencing this continuing effort to develop a more effective program have been an ever increasing understanding by farmers and nonfarmers of the problems of conserving soil and water resources; the rapidly changing technology of farm operations; and an increasing knowledge acquired through research on how our soil and water resource problems may better be solved.

While in early years, it had the dual purpose of income supplement and conservation accomplishment, since 1944 the program has been limited specifically, by the Congress, to soil and water conservation objectives. In the past few years more and more questions have been raised by the Congress, the public generally, by farmers themselves, and by the departments and agencies of State and Federal Government as to what is the proper role of ACP in meeting our conservation problems and how it can be directed most effectively.

In hearings before this and other committees of the Congress, the officials responsible for the administration of the program on a national basis have been urged to direct the program to the most needed and more lasting or permanent types of conservation practices and to limit, insofar as practicable, the assistance given under the program to conservation work which the public reasonably could not expect the farmer or rancher to perform without program assistance.

There has been a continuing effort through the years to improve both the quality of the program practices and the effectiveness of program administration in the interest not only of farmers but of all the people of the Nation. To insure quality practices, technical services are required. The Congress has provided for this by authorizing the transfer of up to 5 percent of the program fund in each county to the Soil Conservation Service to cover the cost of technical services needed for the agricultural conservation program. This provision is being utilized more and more. It now appears that at least 2,200 counties will enter into agreements to use funds in this manner for 1953. At one time the technical services available through the Soil Conservation Service and other agencies were being supplemented by employees of the county PMA committee. In 1951, such employees were placed under the supervision of the Soil Conservation Service. They are now being used only where the needed technical service cannot otherwise be supplied by Soil Conservation Service employees.

With the increasing emphasis being given to permanent-type practices, the workload upon SCS has continued to increase. It has been necessary for SCS to substantially supplement this transfer, especially in 1952, with its regular program facilities. In 1953 an even greater demand for technical assistance is expected.

This transfer arrangement has accomplished, with a high degree of success, at least two objectives: (1) The development of closer working relations of conservation agencies at the county level; and (2) the formulation and carrying out of a more technically adequate agricultural conservation program. A great deal of training and supervisory work has been necessary on the part of both SCS and ACP

to attain these objectives. The very substantial accomplishments in closer working relations of county and State committees, soil conservation districts, SCS technicians, Forest Service representatives, extension workers, and others by joint consideration of programs, workloads, and schedules is now well accepted and will be, we believe, maintained in a truly cooperative spirit.

We wish to point out, however, that the county-by-county arrangement for transfer of funds has involved a great deal of time and paper work to execute the individual agreements. This has been repetitive work because the agreements cover only one program year.

It now appears that with the type of program projected for 1954—a permanent practice program—that the SCS may need the full amount of the 5 percent transfer to meet the need for technical services. Also, there is real need for a greater degree of flexibility between counties in the use of technical services to efficiently meet the ACP workload.

PROGRAM FOR 1953

To more nearly achieve the objectives of the Congress, the Department is carrying out in 1953 a conservation program, consistent with the advance authorization provided in the Appropriation Act of 1952, with two major objectives:

(1) The achievement of a greater total quantity of conservation on more of our farms and ranches; and

(2) The utilization of available program assistance on what the farmer believes to be the most urgently needed conservation work that he is in position to undertake on his farm and for which he needs program assistance during 1953.

To facilitate achievement of these objectives, the Congress authorized for 1953 the utilization of up to 2½ percent of the county program funds for expenses of PMA committeemen at the county and community levels in bringing to individual farmers on their farms certain basic aids and information. Developing farmer understanding was to be accomplished by—

(1) Discussion with the farmer any conservation plans that had been made for the farm;

(2) Walking or riding over the land with him;

(3) Urging the meeting by the farmer of all apparent conservation problems;

(4) Explaning to him the facilities of all agencies of the Department for helping to meet those problems;

(5) Explaining the policy of utilizing ACP only to help finance the most urgently needed work; and

(6) Then affording the farmer the opportunity to request ACP assistance if he needed and desired it.

It is now apparent that this method met with considerable success, where the farm-to-farm approach was properly done, by creating more interest in total conservation; by encouraging more farmers to undertake conservation work; and by getting farmers to voluntarily utilize available program assistance on the most urgently needed conservation. Early reports show that 25 percent more farms than in 1952 have indicated a desire to participate in the program in 1953; and that 10 percent more of the program funds are being directed to the more

permanent-type conservation work. This in as indication of substantial progress toward the objectives which the Congress has established.

The extent to which these indicated intentions of farmers will be carried through to completion is yet to be ascertained. There is hope that the end result will fully justify the effort which was put forth to obtain farmer acceptance of shifting the program to the more permanent types of conservation work. Coupled with this has been the hope also that this could be done without substantially reducing the volume of recurring type practices, performed at farmer expense, which are more nearly a part of normal farming operation. It may well be presumed, however, that an appreciable amount of the urgently needed conservation that farmers have planned to undertake may not actually be accomplished this year due to weather, finances and other reasons.

For a broad program of many types of conservation activity, the 1953 method was deemed to be an effective administrative plan. However, there are now apparent many problems inherent to the type of approach we are using in 1953. These problems must be recognized and considered in reaching conclusions on the future course of program activities both for the long pull and for the immediate future. Achieving an understanding by farmers of the necessary changes in direction of the program within one year was an enormous undertaking. Getting the farmer committeemen prepared to properly and clearly explain the program to his fellow farmers, was a vast undertaking. It involved helping them achieve a better understanding of the enormity of the national conservation problem and justifying the program philosophy of direct financial asisstance only for those measures which the farmer could not reasonably be expected to carry out with his own resources. It need not be considered an unwarranted weakness of the 1953 program if these undertakings were not achieved in their fullest.

Much misunderstanding still prevails, and it will continue to take the concentrated work of all interested groups before an understanding of these problems by substantially all farmers is attained. Obtaining and maintaining acceptance and recognition of these national concerns by farmers and nonfarmers is not an easy task.

Another problem being experienced stems from the increased request by farmers for conservation assistance on new undertakings without compensating decreases in their requests for aid on practices that they have heretofore been carrying out. As a consequence, in many areas the assured assistance to an individual farmer for a particular conservation job on his farm is substantially less than it has been in the last few years. It results in part from better assurance that all farmers have had ample opportunity to request needed assistance and have been assured consideration of their requests. The fact that less assistance generally is available to farmers for 1953 does not mean in all instances that less assistance is available to the farmer for his most urgently needed conservation work.

LOOKING FORWARD TO 1954

In planning ahead for direct financial aid to farmers for conservation work in 1954, several things have influenced the judgment on the wisest course that may be undertaken at this time.

First of all, the maintenance of the financial strength of the Nation is paramount. The problems of a balanced budget must be given consideration in the formulation of policies on conservation as well as for policies on other governmental activities. However, we consider it unwise that unnecessary chances be taken on the welfare of the country by disregard of our conservation problems on our farms and ranches. We cannot, however, assume that the administration of this financial-aid program has been perfected. It also should not be assumed that some questions do not exist as to whether the type of assistance being offered and the broad category of measures on which it is now based do not include some measures which the farmer can and should be expected to meet with his own resources. Therefore, we have subjected this program to a most critical examination of the degree to which its activity can be reduced without risk of substantial impairment of our national resources before more definite and conclusive evidences are available as to the conservation work that will be carried on by farmers without cost sharing by the Federal Government. Substantial changes for 1954 are contemplated.

First, it is being recommended that a significantly lowered total authorization for the 1954 program be granted by the Congress with the understanding that program assistance be confined to the more lasting or permanent-type conservation practices. We suggest for your consideration that the following principles guide the determination of the type of practices eligible for financial assistance:

(1) Enduring (permanent-type) mechanical and vegetative practices whose benefits will continue through a period of several years when they are (*a*) properly applied where needed to attain the conservation objective and (*b*) adequately maintained.

(2) Practices needed for conservation purposes but which would not likely be initiated in an area by farmers without financial assistance.

(3) Practices which although essential to the public welfare will not return sufficient short-term economic benefits to the farmer to provide the necessary encouragement to him to install them.

There is a reasonable association between the more lasting conservation practices and those for which farmers generally need assistance most. The more permanent-type practices often require rather heavy outlays, and the benefits from them are realized over many years rather than in a short time. The more often repeated practices by their very nature are likely to be ones which pay off through increased production within a fairly short time. It is not enough, however, to speak of a program as being properly directed if it is restricted to permanent-type practices.

We recognize a further obligation. Although a practice may be relatively permanent, we should not use program assistance on it over and beyond the amount essential to the adequate performance of the practice on the individual farm. We believe that this concept is right for the interest of the general public and it is right for the farmer. Errors of judgment have been made in the past and may be made in the future in the application of this principle, but it is becoming more and more accepted. We do not feel that we can emphasize too strongly the sound public policy that there is no inherent right of an individual farm or a particular farmer to any exact portion of the program funds for conservation. The requests for assistance for

each farm and by each farmer should be weighed in relation to those from all farms and all farmers within the administrative area. The local administrative group must ultimately make judgment decisions on the wisest investment of a limited fund for the demand may be 3 or 4 times the amount available. These judgment decisions should be kept in the hands of those whom the farmers within the local administrative area consider to be the most able and fair judges of these matters.

Second, in order that the administrative cost of the reduced program can be kept as low as possible, thereby making available to farmers a maximum of the appropriated funds, we have concluded that, without prejudicing the concept of local authority and administration of this program and without denying the degree of effectiveness of the farm-by-farm visit approach, a more satisfactory alternative administrative process may be adopted for achieving in 1954 the objectives toward which the Congress has pointed over the years. Thus, the proposed budget revisions for 1954 do not contemplate a farm-by-farm contact by community committeemen. Rather, it is proposed that meetings be held prior to the opening of the 1954 program, at points of convenience to every farmer in every county. Representatives for the program and of all other concerned agricultural interests in the community and the county should endeavor to achieve farmer understanding of:

(1) The total conservation problem;

(2) The considered role of the program in meeting that problem;

(3) How the various agricultural interests and agencies of the county will be able to assist farmers in achieving conservation in 1954; and

(4) A full explanation of the 1954 program.

At that or subsequent meetings and for a subsequent period of sufficient duration, reasonable opportunity will be afforded every farmer to make known to the local administrative group what he considers to be his most urgently needed conservation work of a more permanent nature that he can undertake in 1954 only if he obtains financial assistance through the program. At this time he will also indicate the amount of financial assistance which he considers essential to his performance of that work. By this process, we hope to intensify rather than to diminish farmer understanding of the seriousness of our conservation problems, of the objectives of the Congress for solving them, and of the program policies and principles necessary to make it most effective to that end.

The revised proposal for authorization for a 1954 program is calculated to afford financial assistance for an orderly progression toward the more permanent-type conservation work needed. The administrative process will be designed to pinpoint this assistance to the work on which it is most needed on the individual farm and to also give assurance to the Government that the work not only is needed but will be properly and effectively carried out. One more important aim will be to make known to farmers, well in advance of the time for performance of the work, the exact total amount of assistance which they will receive. Thereby the farmer will be enabled on a factual basis to decide whether he can do the work with the assistance offered. In other words, we have in mind for 1954 an administrative arrangement by which the farmer will be told for a particular practice the exact amount he is to receive rather than to attempt to promote additional performance by holding out to him a possibility of sharing in funds that might become available through nonuse on other farms.

Under a program restricted to more lasting conservation practices, farmers must have more assurance as to the exact amount of assistance they will get. These are the practices which generally require the investment of significant sums of money for services and materials. These are the practices which generally the farmer must undertake as a whole rather than by small segments if he is to do them at all. Experience over the years indicates that farmers will be better served through this type of administrative action and the public will be better assured that the funds are spent only for additional conservation work.

Frequent and careful readjustment of the program commitments on a county basis will be necessary. Commitments will be made to the individual farmer for a specified period during which they will not be withdrawn. However, a farmer to whom funds are committed for work early in the year will not, by failing to do that work, thereby withhold from other farmers the opportunity to utilize those funds in undertaking at a later date urgently needed additional conservation. Under this system, it is inevitable that some farmers will not receive all of the assistance they desire or at the time they desire it. This will not be unusual. Also, it is inevitable that some of the available funds will not be utilized because those approved for work in the last part of the program year which the farmer does not perform will not be identified in time to be reapproved to other farmers for work yet to be done by them. This we believe is better than to use those funds to increase payments for work already performed by farmers on the basis of an amount previously assured them.

The agricultural-conservation program permits farmers in any locality who have a common conservation problem affecting more than one farm to join into what is known as a pooling agreement under which they combine the agricultural-conservation program assistance otherwise available for their individual farm practices into a joint fund together with their own resources to meet a common problem. Illustrations of this are drainage projects serving four or five farms, irrigation ditches serving more than one farm, and other similar activities which must be undertaken on a community basis rather than as a individual farm undertaking. Often the meeting of the community problem is essential to meeting problems on the individual farms. For 1954 it is our intention to more strongly emphasize this facility and to give more encouragement than ever before to farmers to utilize the program funds available to them for the work on these joint projects.

We will continue to advance to farmers certain off-farm supplies and services required for the more permanent-type practices. Under a program of more permanent-type practices, the advancing of the seed, fertilizer, and liming materials will be substantially reduced. We have been contracting on a diminishing volume basis during the last few years for lime and fertilizer. The contracting work will likely be further decreased for two reasons:

(1) The remaining volume may not be adequate to justify the expense of contracting procedures.

(2) The fullest practicable use will be made of the purchase order method of dealing with local businesses and other interests engaged in supplying the required materials and services. We believe the welfare of all concerned will be better served by using local business

channels to the fullest in getting to farmers needed materials and services for conservation.

It will be noted that two additional items are proposed to the Congress for inclusion in the authorization of the 1954 program. Wording is proposed which would permit the Secretary to announce a 1954 program without the commitment of increases in small sized payments that would otherwise be required by the provisions of section 8e of the Soil Conservation and Domestic Allotment Act. It is our belief that the original intent of the Congress, as borne out by legislative history, was that these payment increases only be used as income supplements for small farmers. They were provided for at a time when substantially all the funds appropriated to carry on the ACP were used for commodity adjustment payments.

To make these small payments, the proposed authorization would need be increased approximately $11 million. This would be without regard to the fact that the program is not for income purposes but to defray a part of the cost incurred by farmers in conserving the natural resource represented by their farm and ranch lands. The original purpose of the provision undoubtedly was to provide increased payments to small farms. The provision actually applies to all small payments earned without regard to whether earned on a small or large farm. At this time, approximately 90 percent of all payments earned by farmers under the program are less than $200; consequently, these amounts are required by law to be increased. It is, therefore, apparent that the payment increases are not restricted to small producers as undoubtedly was contemplated by section 8e of the act.

Should the Congress not include the proposed language in the Appropriation Act to relieve the Secretary from paying these increases, the program authorization would need be $151 million to maintain a level of activity consistent with the principles on which our plans for 1954 have been developed.

Another proposed new item of the authorization language would permit the Secretary to allot to Alaska $100,000, an amount which he deems necessary for the purpose of aiding Alaska in the development of an agricultural resource more nearly adequate for sustaining its population. This would be in addition to the amount that otherwise would be distributed to Alaska on the conservation needs principle established heretofore by the Congress. Improvement of the agricultural resource of Alaska to be more in keeping with the strategic position of Alaska in the defense of the Nation is a very desirable undertaking. This item would permit orderly development of suitable agricultural lands in Alaska without diverting to those purposes Alaska's share of the appropriation for protection and improvement of its existing agricultural resource.

If there is apprehension that the projected 1954 program constitutes a reversal of the congressional policies heretofore in effect, let me again emphasize that the Department's position in this matter is taken with the view to more firmly, assuredly, and rapidly achieve the objectives heretofore set forth by the Congress. We believe that the indicated changes in the program, its administration, and its level will further the objectives of a sound, efficient, financial-assistance program for soil-and-water conservation.

PROCEDURE OF DEVELOPING PROGRAMS THROUGH COMMUNITY AND COUNTY COMMITTEES

Mr. WHITTEN. I have listened with a great deal of interest to the two statements. I am seriously disturbed about several things which were touched upon. Mr. Coke, I have been on this committee a good many years and served 4 years as chairman. I have read in the press a good many statements from Secretary Benson, you and others, to the effect that you are going to try to take this program to the grassroots. It is my understanding that under the committee system, at the community level the farmer elects the members of the community committee, and then the members of the committee at the county level are elected from farmers.

In the ACP program, whereby the Federal Government pays a part of the cost of soil conservation practices, those practices are based on recommendations from the community to the county to the State and from there to Washington.

After these practices which are needed and desired are developed, they are submitted with recommendation for inclusion in the catalog as practices for which the Federal Government will pay a part of the cost. Such plans come here to the Department, and after review of those things which have been built up from the grassroots, the Department issues a catalog annually. In that catalog there are a great many of permanent and semipermanent practices which are available to any State, county, or community which, after they are approved here in the Department of Agriculture, can be selected.

Now, it is hard to know how you could get closer to the grassroots than that system does. Each community and its farmers have heretofore had a chance to help form the program. Then the farmers of each community and county have the right to select from such catalog the practices needed and desired in that community. Now, as I understand it, you and a little group around you have been set up for the purpose of telling the farmers what the soil-conservation program is, as against letting them have a share in determining what is needed and helping to build the catalog in the first instance and then letting the local people select from that catalog what they feel is badly needed. It would appear that, instead of getting away from dictation in Washington, this change will increase it.

That is not a charge. I am just saying how it looks on the face of it. I am glad to have any statements which might disabuse my mind of the fears I have in this regard.

Mr. COKE. I am glad to have the chance of commenting on that.

Mr. WHITTEN. I raise it for that purpose.

Mr. COKE. Because we are not changing the practice of obtaining recommendations as you outlined it. The community committees will review the practices which will be used. The only thing we are doing here is to see that we are confining this to the permanent-type practice.

Mr. WHITTEN. Do you mean permanent, or semipermanent? If the land is deficient in minerals, and it is in an area which has been deficient for years, would you class minerals as a permanent or semipermanent practice? What do you mean by "permanent"?

Mr. COKE. We mean the permanent practices. Going back to the mineral application, it is our thinking of applying it where you are establishing some permanent cover. In that case the minerals would be usable.

We have not as yet totally defined the entire area wherein payments will be made, because that will be yet for community and county committees to determine. It will come back here for review, as it has in the past.

SUBMISSION OF SUGGESTED PRACTICES TO COMMITTEES

Mr. WHITTEN. Do you mean that they will help build it up in advance, as has been done in past years, or will you build it up and let them review it after the fact?

Mr. COKE. They will build it up in advance. There is one step in that, as I understand it, which is a little different from past years, in that we have sent out this time a suggested list of practices, but that is merely to conserve time in doing it that way. They have the same authority and the same opportunity to review as they have had in past years.

Mr. WILLIAMS. That is correct.

Mr. COKE. We are not changing it.

Mr. WHITTEN. You are sending out the practices, though?

Mr. COKE. We are sending out a group of suggested practices.

Mr. WHITTEN. That is right. Instead of letting the committees send in to you what they feel is needed, you are sending the list of practices out to them?

Mr. COKE. May I make this clear? These are not a definite set of practices which are sent out for their use. It is merely a guide.

Mr. WHITTEN. Do you have a copy of that for the record?

Mr. WILLIAMS. Yes.

Mr. WHITTEN. I should like to have it, Mr. Chairman.

Mr. ANDERSEN. We will place it in the record at this point.

(The information is as follows:)

Notice ACP–61

UNITED STATES DEPARTMENT OF AGRICULTURE

PRODUCTION AND MARKETING ADMINISTRATION

Action By: PMA State Committees.

GUIDE FOR DEVELOPMENT OF COUNTY AND STATE RECOMMENDATIONS FOR 1954 AGRICULTURAL CONSERVATION PROGRAM NATIONAL BULLETIN AND TENTATIVE STATE AND COUNTY PROGRAMS

Approved for the Administrator:

H. L. MANWARING,
Acting Assistant Administrator for Production.

Transmitted herewith is ACP Memorandum 5, Development 1, issued by the Chief, Agricultural Conservation Program, which asks for county and State recommendations for the 1954 National Agricultural Conservation Program Bulletin, and which sets forth a guide for tentative development of State and county programs for 1954.

PMA 1062 (54)-1

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL CONSERVATION PROGRAM

Washington 25, D. C., April 10, 1953.

ACP Memorandum 5 — Development 1

GUIDE FOR DEVELOPMENT OF COUNTY AND STATE RECOMMENDATIONS FOR 1954 AGRICULTURAL CONSERVATION PROGRAM NATIONAL BULLETIN AND TENTATIVE STATE AND COUNTY PROGRAMS

I. GENERAL

In keeping with the President's program for reduction of expenditures to the minimum consistent with efficient operation of essential programs, the Department has requested the Congress to authorize a 1954 Agricultural Conservation Program of $140,000,000, limited to practices of a permanent nature.

ACP assistance is an important part, but only one part of a coordinated effort to help landowners and operators to attain soil- and water-conservation objectives. The total effort includes research, education, technical assistance, ACP financial assistance, and such indirect aids as credit. The best judgment of local groups is vital to the successful integration of ACP with other parts of the total conservation effort. We hope all groups will lend every support to helping the program achieve its maximum accomplishment.

It will not be possible to obtain local recommendations after the scope of the 1954 program as authorized by the Congress is known. Therefore, consideration and development of local recommendations should be undertaken immediately.

State PMA committeemen are to reproduce this memorandum in its entirety and make it available to the representatives of each agency or organization participating at the State and county levels in the consideration of recommendations for the 1954 National Bulletin.

II. NATIONAL PROGRAM OBJECTIVES

The primary objective of the 1954 Agricultural Conservation Program is to provide assistance needed for enduring or permanent type soil and water conservation practices that contribute to the accomplishment of the basic conservation objective of the Department, namely, "The use of each acre of agricultural land within its capabilities and the treatment of each acre in accordance with its needs for protection and improvements."

Permanent type practices may be defined as those enduring mechanical and vegetative soil- and water-conservation measures, the benefits of which will continue through a period of several years when they are (a) properly applied, and (b) properly used and maintained.

Certain basic program provisions for application nationally, are necessary. However, the program must meet local needs. Maximum participation by State and county groups in the development and administration of the program is essential.

It is not necessary to offer financial assistance on all desirable permanent-type conservation practices. Assistance should be at the minimum required for necessary performance.

Maximum community benefits should be obtained and, therefore, pooling agreements will be encouraged to solve conservation problems which affect more than one farm.

III. BASIC OPERATING POLICIES

For 1953 certain operating policies were prescribed for the broad program of soil and water-conservation practices. For 1954 a modified type of program is likely. Consequently, basic operating policies necessarily will have to be changed substantially. Administrative weaknesses of past programs must be avoided.

There are set out below some basic operating standards on which we desire your opinion for 1954:

1. All farmers and ranchers should be given a reasonable opportunity to request assistance considered by them as needed for eligible practices on their farms

A well-planned series of community meetings participated in by all concerned agencies to give farmers full information on the total conservation problem and all the means available to meet it, seems essential to farmer understanding of the program. A well-publicized enrollment period ending sufficiently in advance of the opening of the program, to allow careful consideration of all requests, seems essential for equity of treatment of farmers.

2. Full use should be made of any conservation plans developed for the farm

It is most desirable that farmers carefully consider the conservation problems on their farms, as shown by such plans, before requesting assistance. Adherence to such plans should be encouraged.

3. A plan for best use of program funds should be formulated and each farmer's request given reasonable consideration in light of it

It may be desirable to budget funds for pooling agreements, for specific individual practices or groups of practices, and by seasons or other predetermined periods of the program year.

On the basis of a planned budget assistance could be approved seasonally. While anticipated underearnings in the early part of the year could be reflected in the budget for the year as a whole, commitments in excess of funds are not to be made. Consequently, safeguards must be used to assure that comparable assistance will be available for practices to be performed during each season.

4. Assistance will be given only for practices for which it is requested by the farmer before performance of the practice is started

Every farmer must request assistance before beginning a practice if any assistance is to be given him on it. To the extent practicable every farmer should be notified of the assistance for each approved practice before performing it. After necessary determinations of need and practicability have been made, tentatively approved assistance could be changed in keeping with the actual needed extent of the practice and insofar as unobligated funds permit.

5. Assistance should be approved for practices on a definite (guaranteed) basis only, and on an individual practice basis only

Conditional, minimum or factored-on assistance would not likely influence the extent of performance of conservation practices under the type program expected to be authorized for 1954. If necessary fewer practices for the farm should be approved but with substantial assistance for them. Farm allowances would not be an appropriate means of budgetary control under such a program.

6. Performance reporting date by seasons or periods necessary

Each practice approval should have a specified expiration date by which the practice should be carried out and performance reported. If due to reasons beyond the control of the farmer the practice could not be performed by the expiration date the approval could be extended.

7. Forms

We believe that a uniform Request for Assistance should be used in all States. This form likely should be similar to Form ACP–201, Request for Assistance.

A uniform Notice of Approved Practices and Performance Report, similar to Form ACP–202–3 (copy attached) seems well suited for 1954. This form could be modified to be also the farmer's request for payment, thereby eliminating a separate Application for Payment form.

Form ACP–242 seems essential in connection with determining need and practicability, and for reporting performance.

A budgetary-control ledger for posting obligations against the county allocation and for posting recoveries (by cancellations of approvals and by performance of less than approved extent) in order to reflect currently the unobligated balance of county funds seems essential.

IV. TIME SCHEDULE FOR DEVELOPMENT AND INITIATION OF 1954 PROGRAM

There follows a time schedule for the steps necessary before the 1954 program opens. State PMA Committees, State Conservationists of SCS, and FS representatives for each State should make plans now that will insure completing this work on time.

Time schedule

By April 20, 1953: PMA State committees to supply copies of this guide to other State agencies.

By April 30, 1953: PMA State committees to release this guide to county PMA committees along with a time schedule concurred in by SCS and FS at the State level, for developing county group recommendations on the 1954 National program and for the developing of a tentative 1954 county handbook.

By June 1, 1953: County group recommendations to be submitted by county committees to the State committees, along with tentative 1954 county handbooks.

By June 15, 1953: State group recommendations on National program to be submitted to ACP. Tentative State 1954 handbook to be developed concurrently by State group.

By July 15, 1953: ACP to release 1954 National ACP Bulletin.

By August 15, 1953: All 1954 State handbooks to be submitted to ACP in Washington by this date. State group clearance of county handbooks to begin immediately after receipt of approved 1954 State handbook.

By November 1, 1953: Joint announcement of county programs by PMA, SCS, and FS; immediately followed by meetings at courthouse, schools, etc., to explain program to farmers with all agencies participating. Immediately thereafter start acceptance by PMA county committeemen of farmers' requests for assistance.

By December 10, 1953: Closing date for accepting farmers' requests.

December 10, 1953, through December 31, 1953: Consideration by county committees of all requests, establishment of necessary budgets, and issuance of approvals.

By January 1, 1954: Official opening of county programs in all States and counties.

December 31, 1954: End of 1954 program.

V. LEADERSHIP IN AND SCOPE OF PARTICIPATION IN DEVELOPMENT OF RECOMMENDATIONS

The program, as finally developed, will have a major influence on the conservation activities of all other local agencies. All agencies must be afforded the maximum opportunity to participate in the formulation of the program at all stages.

Plans for the State and county meetings must be developed jointly so that all agencies can devote adequate time to them.

Since State and county groups will be developing their recommendations for the National ACP and their tentative local programs for 1954 at the same time, *the agency pattern outlined in section 2 of the 1953 National Bulletin is to be followed in all respects in both of these activities.* The State PMA Committee shall also invite the State Soil Conservation Committee (Board or Commission) to have a representative participate in the program discussions of the State group.

VI. CONCURRENT DEVELOPMENT OF NATIONAL ACP RECOMMENDATIONS AND TENTATIVE STATE AND COUNTY PROGRAMS

Tentative State and county programs shall be developed concurrently with the development of county and State recommendations for the National Bulletin. Since substantial changes are to be made in the National program for 1954, the 1953 National Bulletin does not seem to be an adequate basis for initiating such work. We have set out in Section VII herein, the conservation practices we believe come within the authorities requested of the Congress. However, recommendations should include any other permanent type soil and water conservation practices on which financial assistance is believed needed to meet local conservation problems. Likewise, if you believe some of these practices should not be included in the National Program recommendations to that effect should be submitted.

All the proposed National maximum credit rates should be reviewed as to their adequacy and any recommendations thereon submitted.

State recommendations are to be forwarded to ACP in an original and four copies. ACP will make any distribution of these copies among other agencies in Washington.

Two factors should be given primary consideration in developing tentative county and State programs for 1954: (1) The program is to be limited to permanent type practices on which financial assistance is needed in the area to permit

the achievement of needed conservation, and (2) the necessary supplementary activities such as technical services, construction services, supplies and other facilities necessary to obtain the initiation of the performance of such practices must be made available.

VII. 1954 NATIONAL ACP PRACTICES PROPOSED

A. Restrictions on practices included in the 1953 program

For the 1954 program, assistance for the following measures (which were set up as separate practices under the 1953 program) is proposed only as a part of the cost of a related conservation practice.

1. *Mineral elements (1953 practice B–5).*—Assistance for liming materials and commercial fertilizers (including nitrogen) will be authorized only as a part of a per acre rate for establishment of a permanent vegetative cover or permanent pasture, and then only for the *minimum* quantities required for the successful *establishment* of the cover.

2. *Restoring severely eroded farmland to productive use (1953 practice A–3).*—See proposed 1954 permanent vegetative cover practices.

3. *Riprap or revetment (1953 practice A–7).*—See proposed 1954 erosion control or water storage practice.

4. *Removing stone walls or hedgerows (1953 practice A–8–b).*—See proposed 1954 terracing and contour strip-cropping system practices.

5. *Clearing land (1953 practices B–6 and F–6).*—See proposed 1954 permanent vegetative cover, permanent pasture on noncropland, or planting forest tree practices.

6. *Site preparation to facilitate natural reseeding of forest trees (1953 practice F–7).*—See proposed 1954 practice for improving a stand of forest trees.

B. Maximum rates of assistance

For most practices the maximum rate of assistance proposed is 50 percent of the average cost of the items noted. No maximum amounts per unit are proposed nationally. These may be established for use in States or counties, where practicable and needed.

For practices of establishing permanent vegetative cover, including permanent pasture on noncropland, the rate of assistance in county handbooks shall be a specified amount per acre and shall cover all eligible required items of cost except grading, shaping, and filling. Where there are very substantial variations in costs among counties or between townships or areas within a county, it will be necessary to set the rates on a county, township, or area basis. Separate rates (but not separate practices) may be set up for earth moving and land clearing where authorized.

Credit rates in county programs are to be expressed in dollars and cents for specific units of each practice. The State handbook should generally express maximum credit rates in the same manner as they are stated in the national bulletin, thus being the maximum rates for the State within which specific county rates will be approved by the State group.

LAND CONSERVATION PRACTICES

A. Practices for the prevention of erosion

A–1. *Constructing terraces to detain or control the flow of water and check soil erosion on sloping land.*—Necessary protective outlets or waterways must be provided. Assistance for outlets or waterways may be authorized under practice A–5. Assistance may be authorized for removing stone walls or hedgerows only where such removal is necessary to the establishment of an effective terrace system.

Maximum assistance: (1) 50 percent of the average cost of construction of the terraces.

(2) 50 percent of the cost of removal of stone walls or hedgerows, as determined by the county committee.

(This practice covers 1953 practices A–1 and A–8–b. When assistance is authorized for the removal of stone walls and hedgerows, the 1954 wording would require the completion of both the removal operations and the establishment of the terrace system within the 1954 program year.)

A–2. *Constructing diversion terraces, ditches, or dikes to intercept runoff and divert excess water to protected outlets.*—Necessary protective outlets or waterways must be provided. Assistance for outlets and waterways may be authorized under practice A–5.

Maximum assistance: 50 percent of the average cost of earth moving.

(This practice is the same as 1953 practice A–2, except for changes in wording which are intended to point out more clearly the purpose of the practice. This practice is primarily for controlled disposal of excess water to prevent erosion and should be distinguished from practice D–6, which is primarily for making effective beneficial use of water.)

A–3. *Constructing outlets, chutes, drop spillways, or drop inlets for channel or gully protection and to dispose of excess water without causing erosion.*

Maximum assistance: (1) 50 percent of the average cost of materials, other than riprap or revetment materals, used in the permanent structure, excluding forms.

(2) 50 percent of the average cost of riprap or revetment, including installation.

(This practice covers 1953 practices A–5 and A–7. No separate rates of assistance are provided for pipe, log dams, wire-bound mulch, and wire dams as was done in practice A–5 under the 1953 program. However, assistance may be authorized for such materials under the 1954 practice at not to exceed 50 percent of the average cost of the materials.)

A–4. *Constructing erosion control or sediment retention dams to prevent or heal gullying and to retard or reduce runoff of water.*—Necessary fencing and seeding or sodding to protect the structure and to provide filter strips shall be specified in the State handbook. No assistance will be given for fencing materials. Assistance for seeding or sodding dams may be authorized under practice A–8.

Maximum assistance: (1) 50 percent of the average cost of moving earth in the construction of dams, wings, and walls.

(2) 50 percent of the average cost of materials, other than riprap materials, used in the permanent structure, excluding forms.

(3) 50 percent of the average cost of riprap, including installation.

(This practice covers 1953 practices A–6 and A–7. No separate rates of assistance are provided for pipe, rock, or rock and brush dams, and wire diversions as was done in practice A–6 under the 1953 program. However, assistance may be authorized for such materials under the 1954 program at not to exceed 50 percent of the average cost.)

A–5. *Establishing permanent sod waterways to dispose of excess water without causing erosion.*—The maximum and minimum widths of the waterways for which assistance will be allowed must be specified in the State handbook. Minimum seeding rates, eligible seeds, and proportions of grass and legume seeds in eligible mixtures, minimum requirements for cultural operations in preparing the land for seeding, and other steps essential to successful establishment of the practice must be specified in the State or county handbook.

Maximum assistance: (1) 50 percent of the average cost of establishing the vegetative cover, including seedbed preparation, plus 50 percent of the average cost delivered to farm of the minimum application of approved liming materials, shown by soil tests to be needed, and commercial fertilizers required for establishment of the cover.

(2) 50 percent of the average cost of grading, shaping, or filling.

(This practice covers 1953 practices A–4 and B–5. Assistance for liming materials and commercial fertilizers (including nitrogen), is limited to the minimum application required for establishment of the cover. The cost of seedbed preparation may be considered in determining the assistance for the practice. Liming materials may be approved only where shown to be necessary by a soil test.)

A–6. *Establishing a permanent cover of perennial legumes, or perennial grasses, or a mixture of legumes and perennial grasses in orchards and vineyards for control of erosion.*—Minimum seeding rates, eligible seeds, and proportions of grass and legume seeds in eligible mixtures, minimum requirements for cultural operations in preparing the land for seeding, and other steps essential to successful establishment of the practice must be specified in the State or county handbook. Volunteer stands and acreages cut for hay are not eligible.

Maximum assistance: 50 percent of the average cost of establishing the vegetative cover, including seedbed preparation, plus 50 percent of the average cost delivered to farm of the minimum application of approved liming materials, shown by soil tests to be needed, and commercial fertilizers required for establishment of the cover.

(This practice covers 1953 practices A–13 and B–5. Assistance for liming materials and commercial fertilizers (including nitrogen) is limited to the minimum application required for establishment of the cover. The cost of seedbed preparation may be considered in determining the assistance for the practice. Liming materials may be approved only where shown by a soil test to be necessary.)

A–7. *Establishing a permanent cover of perennial legumes or grasses, or mixtures of legumes and perennial grasses on severely eroded abandoned cropland or on cultivated land so subject to erosion, or with soils so shallow, alkaline, or incapable of drainage that their use should be changed from cultivation to permanent cover.*—Minimum seeding rates, eligible seeds and proportions of grass and legume seeds in eligible mixtures, minimum requirements for cultural operations in preparing the land for seeding, and other steps essential to successful establishment of the practice must be specified in the State or county handbook. Applicable only on lands unsuited for cultivation. Not applicable on lands where strip or placer mining operations have been carried out or on land where sod has been removed.

Maximum assistance: (1) 50 percent of the average cost of establishing the vegetative cover, including seedbed preparation, plus 50 percent of the average cost delivered to farm of the minimum application of approved liming materials, shown by soil tests to be needed, and commercial fertilizers required for establishment of the cover.

(2) 50 percent of the average cost of grading, shaping or filling.

(This practice covers 1953 practices A–3 (for vegetative cover use only), A–14, B–2 (for erosion control only) and B–5, when required for establishment only, and extends eligibility to soils so shallow, alkaline, or incapable of drainage that their use should be changed from cultivation to permanent cover. Liming materials may be approved only where shown to be necessary by a soil test.)

A–8. *Establishing permanent vegetation to stabilize and protect gullies, dams, dikes, levees, diversion ditches, drainage ditches, and field borders.*—Minimum seeding rates, eligible seeds, and proportions of grass and legume seeds in eligible mixtures, minimum requirements for cultural operations in preparing the land for seeding, and other steps essential to successful establishment of the practice must be specified in the State or county handbook. Assistance may be given under this practice for establishment of filter strips to minimize siltation of diversions and ponds. Consideration should be given to choice of plants favorable to wildlife. On diversion filter strips and field borders the maximum and minimum widths of strips for which assistance will be allowed must be specified in the State handbook.

Maximum assistance: 50 percent of the average cost of establishing the vegetative cover, including seedbed preparation, plus 50 percent of the average cost delivered to farm of the minimum application of approved liming materials, shown by soil tests to be needed, and commercial fertilizers required for establishment of the cover.

(This practice covers 1953 practices A–18, B–2 (for erosion control only), B–5 when required for establishment only, and seedings under A–6, C–2–c, D–6, and E–1–a. Liming materials may be approved only where shown by a soil test to be necessary.)

A–9. *Initial establishment of improved permanent pasture for runoff and erosion control or noncropland by seeding, sodding or sprigging perennial grasses, perennial legumes, or mixtures of legumes and perennial grasses.*—This practice is applicable only on noncropland suitable for and to be used permanently for pasture, where the present vegetative cover is inadequate for runoff and erosion control. This practice is not eligible on land occupied by a merchantable stand of timber or pulpwood or which, if cleared, would be suitable for cultivation.

Assistance will be limited to the initial establishment of an improved stand of perennial pasture grasses, perennial legumes, or mixtures of legumes and perennial grasses. This practice is eligible only on land where it is determined that complete seedbed preparation, as for a new pasture, and a full seeding are necessary; maintenance of improved pasture will not qualify.

Minimum seeding rates, eligible seeds, and proportions of grass and legume seeds in eligible mixtures, minimum requirements for cultural operations in preparing the land for seeding, and other steps essential to successful establishment of the practice must be specified in the State or county handbook.

Maximum assistance: (1) 50 percent of the average cost of establishing the pasture, including seedbed preparation, plus 50 percent of the average cost delivered to farm of the minimum application of approved liming materials, shown by soil tests to be needed, and commercial fertilizers required for establishment of the pasture.

(2) 50 percent of the average cost of necessary land clearing.

(This practice covers 1953 practices B–3, B–5 when required for establishment only, and B–6, but is limited to initial establishment and only on noncropland. When assistance is authorized for clearing, the 1954 wording would require the completion of both the clearing and seeding within the 1954 program year. Liming materials may be approved only where shown by a soil test to be necessary.)

A–10. *Initial establishment on cropland of perennial legumes or perennial grasses, or mixtures of legumes and perennial grasses, to improve soil structure, permeability, or water holding capacity, as a part of a crop rotation.*—This practice is applicable only in counties, or parts of a county where it is determined that perennial grasses, perennial legumes, or mixtures of legumes and perennial grasses are not now generally used in crop rotations for soil improvement.

Assistance on the individual farm will be limited to cropland needing such plantings for improvement of soil structure, permeability, or water holding capacity and on such land to an acreage which together with the acreage of such plantings on the farm at the beginning of the 1954 program will not exceed 25 percent of the cropland on the farm.

Minimum seeding rates, eligible seeds and proportions of grass and legume seeds in eligible mixtures, the minimum requirement for cultural steps essential to successful establishment of the practice, and the minimum period required for maintaining the plantings must be specified in the State or county handbook.

Maximum assistance: 50 percent of the average cost of seed or other planting materials, plus 50 percent of the average cost delivered to the farm of the minimum application of approved liming materials, shown by soil tests to be needed, and commercial fertilizers required for establishment.

(This is a new practice and includes seedings for hay or pasture and applications of lime and fertilizers required for the establishment. Liming materials may be approved only where shown by a soil test to be necessary. The practice does not include winter legume cover or annual green manure seedings.)

A–11. *Establishing an improved vegetative cover on range land.*—Seeding adapted perennial grasses, perennial legumes or other range forage plants necessary to provide adequate soil protection on rangeland and in accordance with the provisions of an approved range management plan. Minimum seeding rates, eligible seeds, and proportions of grass and legume seeds in eligible mixtures must be specified in the State or county handbook. Seeded areas shall not be grazed until the stand is well established, and no assistance will be given if it is determined hat the area seeded is overgrazed.

Maximum assistance: 50 percent of the average cost of establishing the improved vegetative cover, including seedbed preparation.

(This practice is the same as 1953 practice C–1–c except for the requirement with regard to a range management plan. It does not include fencing.)

A–12. *Establishing contour stripcropping on nonterraced land.*—Guidelines must be established and all cultural operations performed as nearly as practicable on the contour. The types of eligible protected and protective crops and uses must be specified in the State handbook. The crop stubble or crop residue must be left standing over winter, or a winter cover crop established, or necessary protective tillage operations carried out, on acreage devoted to row crops. No assistance will be given under this practice for any acreage for which assistance was given for establishing contour or cross-slope stripcropping under a previous program. Assistance may be authorized for removing stone walls or hedgerows only where such removal is necessary to the establishment of an effective contour stripcropping system.

Maximum assistance: (1) $3 per acre in the stripcropping system.

(2) 50 percent of the cost of removal of stone walls or hedgerows, as determined by the county committee.

(This practice covers 1953 practices A–8–a, A–8–b, and A–9–a, using the rate for A–9–a. No assistance will be given for contour or cross-slope farming row crops or drilled or close-sown crops. When assistance is authorized for the removal of stone walls or hedgerows, the 1954 wording would require the completion of both the removal operations and the establishment of the stripcropping system within the 1954 program year.)

A–13. *Establishing field stripcropping to protect soil from wind erosion.*—The maximum and minimum widths of the strips and the types of eligible protected and protective crops and uses must be specified in the State handbook. The crop stubble or crop residue must be left standing over winter, or a winter cover crop established, or necessary protective tillage operations carried out, on acreage devoted to row crops. No assistance will be given under this practice for any acreage for which assistance was given for establishing field stripcropping under a previous program.

Maximum assistance: $2 per acre.

(This practice is the same as 1953 practice A–10 except that assistance is limited to acreages on which field stripcropping is being established under the 1954 program to protect soil from wind erosion.)

A–14. *Planting orchards, vineyards, bush fruits, or perennial vegetables on the contour to prevent erosion.*

Maximum assistance: (1) $5 per acre for orchards, vineyards, or asparagus. (2) $3 per acre for bush fruits or perennial vegetables other than asparagus.

(This practice is the same as 1953 practice A–8–f.)

A–15. *Stream bank or shore protection, channel clearance, enlargement or realignment, or constructing floodways, levees, or dikes, to prevent erosion or flood damage to farm land.*—Channel clearance is limited to smalll watercourses. Levee or dike construction is limited to structures of low height along small watercourses or to protect farm land from overflow or backwater. This practice shall not be approved in cases where there is any likelihood that it will create an erosion or flood hazard to other adjaccent land, or where its primary purpose is to bring new land under cultivation.

Maximum assistance: 50 percent of the cost of the clearing, earthmoving, and protective measures.

(This practice is the same as 1953 practice A–16 except for changes in wording which permit the construction of small levees or dikes along areas subject to overflow or backwater and includes 1953 practice A–7.)

B. Practices for the establishment and protection of farm woodland.

B–1. *Planting, interplanting, or replanting trees or shrubs on farm land for windbreaks, shelter belts, erosion control or watershed protection.*—Assistance will not be given for planting orchard trees, or for plantings for ornamental purposes. If shrubs are used, those that benefit wildlife should be given preference wherever practicable. Plantings must be protected from fire and grazing.

Assistance may be authorized for clearing land occupied largely by scrubby brush of no economic value to permit planting of desirable tree species. The eligible clearing methods and the maximum average slope on which the clearing may be carried out must be specified in the State handbook. Technical assistance must be utilized to determine the suitability of the land for clearing and the measures necessary to prevent erosion. Necessary erosion preventive measures must be carried out.

Maximum assistance: (1) 50 percent of the average cost of trees and planting, including land preparation.

(2) 50 percent of the average cost of land clearing.

(This practice covers 1953 practices F–1 and F–6. The 1954 wording would require the completion of both clearing and planting within the 1954 program year, when assistance is authorized for clearing.)

B–2. *Improving a stand of forest trees.*—Assistance may be given only for (1) thinning, (2) pruning crop trees, (3) release of desirable tree seedlings by removing or killing competing and undesirable vegetation, and (4) site preparation for natural reseeding.

The minimum stand of desirable species which must be present in order for the acreage to be eligible must be specified in the State handbook. No assistance will be given for any area from which merchantable products are harvested in the process of carrying out the practice, unless the county committee determines that the primary purpose of the operation was the improvement of the residual stand of trees. The area must be protected from fire. Where seedlings are present or needed the area must be protected from grazing. Assistance for site preparation will be limited to areas which have a sufficient number of desirable seed trees for natural reseeding, which will not restock unless brush, dense litter, and other material on the forest soil is broken up or removed so that soil is exposed, and on which the seed trees will be left until the area is restocked. Where necessary, erosion preventive measures must be carried out. Approved technical forestry standards must be utilized. No assistance will be given under this practice on any acreage on which assistance under this practice was given under a previous program.

Maximum assistance: 50 percent of the average cost of approved timber stand improvement measures.

(This practice covers 1953 practices F–2 and F–7.)

C. Practices for the protection of established vegetative cover

C–1. *Controlling competitive plants and shrubs necessary to provide adequate vegetative cover for soil protection on rangeland.*—Eligible plants and control measures must be specified in the State handbook. No assistance will be given if it is determined that the area is overgrazed. The practice must be performed in accordance with the provisions of an approved range management plan. On areas

where it is determined that the control of competitive plants will reduce the vegetative cover to such an extent as to induce erosion, the practice will not be approved unless followed by seeding.

Maximum assistance: 50 percent of the average cost.

(This practice is the same as 1953 practice C–1–e, except that it is applicable only to rangeland.)

C–2. *Constructing or deepening wells for livestock water to obtain proper distribution of livestock to prevent overgrazing.*—Adequate storage facilities must be provided. Pumping equipment must be installed, except for artesian wells. Assistance will not be given for wells constructed at or for the use of headquarters. On rangeland the practice must be performed in accordance with the provisions of an approved range-management plan.

Maximum assistance: 50 percent of the average cost of drilling and casing, including installation of the casing.

(This practice is the same as 1953 practice C–2–a.)

C–3. *Developing springs or seeps for livestock water to obtain proper distribution of livestock to prevent overgrazing.*—On rangeland the practice must be performed in accordance with the provisions of an approved range-management plan.

Maximum assistance: (1) 50 percent of the cost of excavating earth, rock, and gravel.

(2) 50 percent of the cost of materials used in the permanent structure, excluding forms.

(This practice is the same as 1953 practice C–2–b.)

C–4. *Constructing, enlarging, or sealing dams, pits, or ponds for livestock water to obtain proper distribution of livestock to prevent overgrazing.*—Necessary fencing and seeding or sodding to protect the dam and to provide filter strips shall be specified in the State handbook. No assistance will be given for fencing materials or for cleaning or maintaining an existing structure. On rangeland the practice must be performed in accordance with the provisions of an approved range-management plan. Assistance for seeding or sodding dams and filter strips may be authorized under practice A–8.

Maximum assistance: (1) 50 percent of the average cost of earth moving.

(2) 50 percent of the average cost of materials other than riprap or revetment materials used in the permanent structure, excluding forms.

(3) 50 percent of the average cost of riprap or revetment, including installation.

(This practice covers 1953 practices C–2–c, A–7, and C–2–f except that no assistance is authorized for fencing. Assistance for seeding or sodding dams may be authorized under practice A–8.)

C–5. *Installing pipelines for livestock water to obtain proper distribution of livestock to prevent overgrazing on rangeland.*—The practice must be performed in accordance with the provisions of an approved range-management plan.

Maximum assistance: 50 percent of the average cost of pipe.

(This practice is the same as 1953 practice C–2–d.)

WATER CONSERVATION AND DISPOSAL PRACTICES

D. Practices for the conservation of agricultural water

D–1. *Reorganizing farm irrigation systems to conserve water and prevent erosion.*—The reorganization must be carried out in accordance with a written plan approved by the responsible technician. No assistance will be given for cleaning a ditch, for repairs or replacement of existing structures, for mainttenance, or for structures installed for crossings or other structures primarily for the convenience of the farm operator.

Maximum assistance: (1) 50 percent of the average cost of moving earth, gravel, or rock in the construction or enlargement of permanent ditches, dikes, or laterals.

(2) 50 percent of the average cost of materials used in the permanent structures, excluding forms, in the construction or installation of siphons, flumes, drops or chutes, weirs, division boxes, turnouts, permanently located pipe, and similar structures needed.

(3) 50 percent of the average cost of pipe used in the installation of permanently located main lines and standpipes for sprinkler irrigation.

(This practice is the same as 1953 practice D–4, except that no assistance is authorized for portable pipe.)

D–2. *Leveling land for more efficient use of irrigation water or to prevent erosion.*—No assistance will be given for floating, or carrying out this practice on any land for which assistance for leveling, other than by benchland plowing, was given under

a previous program. Not applicable in connection with any land for which water is not available.

Maximum assistance: 50 percent of the average cost of earth moving.

(This practice is the same as 1953 practice D–5–a. No assistance is authorized for restoration of grade as authorized by 1953 practice D–5–b.)

D–3. *Constructing, enlarging, or lining dams, pits, or ponds for irrigation water.*—Necessary fencing and seeding or sodding to protect the structure and to provide filter strips shall be specified in the State handbook. No assistance will be given for fencing materials or for cleaning or maintaining existing structures. Assistance for seeding or sodding dams and filter strips may be authorized under practice A–8. No assistance will be given for the excavation of pits for the interception of underground water.

Maximum assistance: (1) 50 percent of the average cost of earth moving.

(2) 50 percent of the average cost of materials, other than riprap and revetment materials, used in the permanent structure, excluding forms.

(3) 50 percent of the average cost of riprap or revetment including installation.

(This practice covers 1953 practices D–6, A–7, and D–7, except that no assistance is authorized for fencing. Assistance for seeding or sodding dams may be authorized under practice A–8.)

D–4. *Lining irrigation ditches to prevent erosion and loss of water by seepage.*—This practice is limited to ditches that are properly located and constructed as a part of an existing irrigation system. Where turn-outs, drops, gates, checks, or other structures are needed in the ditch, such structures shall be installed at the time the ditch is lined.

Maximum assistance: 50 percent of the average cost of lining materials.

(This practice is the same as 1953 practice D–8. Assistance for turnouts, drops, etc., may be authorized only under practice D–1 as a part of a reorganization of an existing irrigation system.)

D–5. *Furrowing, chiseling, ripping, scarifying, pitting, or listing noncrop grazing land to prevent soil loss, retard runoff, and improve water penetration.*—The operation must be as nearly as practicable on the contour. The State handbook must specify the maximum spacing interval which will qualify for assistance. No assistance will be given under this practice for any acreage for which assistance was given for the practice under a previous program.

Maximum assistance: 50 percent of the average cost.

(This practice is the same as 1953 practice D–2, except that assistance is limited to acreage for which assistance for the practice has not been given under a previous program.)

D–6. *Constructing spreader ditches or dikes to divert and spread water to prevent erosion, to permit beneficial use of runoff or to replenish ground water supply.*—Maximum assistance: 50 percent of the average cost of earth moving.

(This practice is the same as 1953 practice D–3, except for changes in wording which are intended to point out more clearly the purpose of the practice. This practice is primarily for making effective beneficial use of water and should be distinguished from practice A–2 which is primarily for controlled disposal of excess water without causing erosion.)

E. Practices for the disposal of excess water from inadequately drained land

E–1. *Constructing and enlarging permanent open drainage systems to dispose of excess water.*—Assistance will be limited to construction or enlargement of permanent ditches and structural work necessary to the proper functioning of the ditches. No assistance will be given for cleaning or maintaining a ditch or for structures installed for crossings or other structures primarily for the convenience of the farm operator. In the installation of drainage systems due consideration shall be given to the maintenance of wildlife. Assistance for seeding or sodding flumes and ditch banks may be authorized under practice A–8.

Maximum assistance: (1) 50 percent of the average cost of earth moving; and (2) 50 percent of the average cost of materials used in the permanent structures; and excluding forms.

(This practice is the same as 1953 practice E–1–a, except that assistance for seeding, sodding, or sprigging if required may be authorized under practice A–8.)

E–2. *Installing underground drainage systems to dispose of excess water.*—Assistance will be limited to installation of tile or other approved underground conduit and structural work necessary to the proper functioning of the system. No assistance will be given for repairing or maintaining existing drains.

Maximum assistance: 50 percent of the average cost of material delivered to the farm and 50 percent of the average cost of installation.

(This practice is the same as 1953 practice E–1–b.)

E–3. *Shaping or land grading to permit effective surface drainage.*—Assistance will not be given on any acreage on which assistance was given for this practice under a previous program or for maintaining existing structures. Assistance will not be given on any acreage where the shaping or grading is performed by normal farm tillage equipment.

Maximum assistance: 50 percent of the average cost of earth moving.

(This practice is the same as 1953 practice E–1–c.)

SPECIAL PRACTICES

F. Practices to meet special conservation needs

F–1. *Special conservation practices.*—To permit further local adaptation of a county program to the conservation needs in the county, the Chief, ACP, upon recommendation of the State and county committees and designated representatives of the Soil Conservation Service and Forest Service at both the county and State levels, may approve for use in the county practices included in this section for which there is need locally but which are not selected for use in the State.

Maximum assistance: The maximum assistance for the practices set forth in this section.

(This practice is the same as 1953 practice G–1.)

D. A. WILLIAMS,
Approved, Chief, ACP.

Mr. WHITTEN. A community may say "What we really need here, and what we want is not listed."

Mr. COKE. They have that opportunity of making the suggestion.

Mr. WHITTEN. What does that mean? Do you agree to their suggestions, or do you say: "No; you are limited to what we have set up." We are talking about a program with which we have been working for years, and it would appear that under this new setup you are telling them what they can do from Washington.

Mr. COKE. The reply to that is that a practice would be applied if it would meet this permanent type of practice which we are talking about.

Mr. WHITTEN. Now, it is limited to permanent, entirely. Semipermanent does not enter into it?

Mr. COKE. I think that is a question of definition. I do not know.

Mr. WHITTEN. I would like a definition of what you mean by "permanent."

Mr. WILLIAMS. We have given as a principle the definition that enduring or permanent-type conservation practices would be those mechanical and vegetative measures which have benefits lasting over a period of considerable time.

Mr. WHITTEN. Of course, getting into legal terms, "considerable time" is in itself a problem. What would be your idea of considerable time?

Mr. WILLIAMS. Probably anywhere from 3 years on up, in terms of residual benefits of the practice, although that 3 years is purely an indicator and not any fixed idea.

Mr. WHITTEN. I see.

Mr. WILLIAMS. May I comment just a word further with respect to this guide?

Mr. WHITTEN. Yes.

Mr. WILLIAMS. I was going to cover that somewhat more clearly. As Mr. Coke has indicated, a suggested guide has been sent out to to the State committees with suggestions that they follow the same procedure that was used in 1953 at both the State and county level, of reviewing the program that they want to see in the county and in

the State. This procedure provides for the review to be participated in by the State committees, by the soil-conservation district, by SCS, by representatives of the Forest Service, and any and all other interested groups; to project their thinking with respect to what the 1954 national bulletin should include.

Mr. WHITTEN. That is the next year's program?

Mr. WILLIAMS. That is correct. So the procedure is identical to the one followed last year, with the only exception, as Mr. Coke indicated, that the guide was sent out with respect to some preliminary thinking, as to what might be interpreted to be permanent-type practices. But it specifically indicates that this list is by no means all inclusive, and suggestions are requested with respect to any and all other types of permanent practices which might be included, if not nationally, certainly locally. It is my opinion, Mr. Congressman, that the authority and responsibility and the opportunity of the committees at the community, county and state level are just as fully protected in this arrangement as they have been before.

Mr. WHITTEN. Within the limitations of what you give them to choose from, they can choose.

Mr. WILLIAMS. Finally, after the national bulletin is issued, that is correct; but before the national bulletin is issued, while it is in the formulation process, the field is wide open for their suggestions.

COMPUTATION OF CONSERVATION NEEDS

Mr. WHITTEN. Does this change in any way affect the formula whereby the funds are distributed to the various States?

Mr. WILLIAMS. We do not anticipate that it does.

Mr. WHITTEN. What is that formula for distribution?

Mr. WILLIAMS. The formula, Mr. Congressman, as established by the basic act, as well as by previous appropriation acts, has provided for the allocation of funds to States on a conservation-needs basis. Then there has been an additional limitation in the appropriation act for the last several years with respect to not reducing proportionately by more than 15 percent the amount of funds allocated to a State as computed, on a conservation-needs basis, for the next preceding program year.

Mr. WHITTEN. Who does that computation of conservation needs?

Mr. WILLIAMS. The computation on a national basis is done here in Washington in the ACP unit.

Mr. WHITTEN. Or by the PMA?

Mr. WILLIAMS. It is done in ACP.

Mr. WHITTEN. Under your present setup?

Mr. WILLIAMS. That is right.

Mr. WHITTEN. What do you use for your source of information?

Mr. WILLIAMS. The information which is available for use, again, has been in process of being collected over a period of several years. The accuracy of it varies considerably by counties and by States, but by and large it is built up from the consolidated thinking of PMA committees, county and State, supplemented by the information on land-use capabilities and other information of the Soil Conservation Service, Forest Service, and so on.

Mr. WHITTEN. That sounds mighty good, Mr. Williams, but when did they send all that in to you and when did you pass on it?

Mr. WILLIAMS. As the basis of computation for the present allocations, you mean?

Mr. WHITTEN. I mean, is there any set report which anybody sends in, or is it just common knowledge from having dealt with all these various agencies throughout the years?

Mr. WILLIAMS. The information which is used has been built up and is a matter of record for the past few years.

Mr. WHITTEN. You just add a new year to it?

Mr. WILLIAMS. Yes. I would like to ask Mr. Hunt to comment on that, because conservation needs activities are in his particular division.

Mr. HUNT. As Mr. Williams indicated, this information has been gathered over a period of several years. The latest revision that was made in it was about 2 or 2½ years ago. We do have in compilation form, which is available to each State, the estimated needs for each of the conservation measures that they say are needed in the State. Those figures are then converted into a dollar figure, in order to get at an overall composite measure of the needs in each State, because the needs are many and complex. There are as many as maybe 100 items in any one State. That is converted into a dollar figure to get at the overall.

USE OF UNSUBSCRIBED ALLOTMENTS TO STATES AND COUNTIES

Mr. WHITTEN. Then the funds are allocated back to the State, after you make the determination of need. Now, is there any authority in law if a given State does not subscribe to the total amount assigned to that State for such funds to be made available to another State which may have oversubscribed? Or can an adjustment be made within a State from one section to another section?

Mr. WILLIAMS. Mr. Ritchie, will you answer that?

Mr. RITCHIE. Under the interpretation that we have in the past placed on the language of the appropriation act, which provided for distribution of these funds among the States on the basis of the relative need, we have not redistributed funds among States. If one State could not use the funds available through that formula distribution, those funds were not taken and put in some other State.

Within the State the PMA State committee has been held responsible by the Secretary for developing and administering a program which will not make for commitments beyond the State funds. It has been left to the State committee of PMA to decide how those funds shall be distributed among the counties, with the general guidance that they are to distribute them among counties on the basis of conservation needs, insofar as it is practicable.

Mr. WHITTEN. Now, if these funds are not used by a given State and under your practices have not been made available to another State, do they go back into the Treasury or are they invested in materials which will be used for next year's program? What is your practice with regard to that?

Mr. BEACH. Those funds, Mr. Whitten, are used in accordance with the law for paying off borrowings from Commodity Credit Corporation for advances made by that corporation in accordance with the law for advance purchases of conservation materials and services. They are thereby really transferred into the next year's appropriation.

Mr. WHITTEN. Carrying it a little further, this program has consisted annually of appropriating money to pay for last year's announcement and announcing the next year's program. Now, for the record, I should like to have inserted at this point the announcement of last year, the amount of money approved for this year's payment by the original budget and by the revised budget, and the advance authorization in the original and revised budgets.

(The information requested follows:)

STATE ALLOCATIONS, 1953 AGRICULTURAL CONSERVATION PROGRAM

I. PURPOSE AND SCOPE

To inform each State and insular area of its 1953 ACP allocation, the maximum amount of program funds which may be used in determining the most needed conservation practices on individual farms for which ACP assistance shall be given, the amount which shall be used only for allotments to the Soil Conservation Service for services of its technicians in formulating and carrying out the ACP, and the amount of each State allocation which is attributed to the conservation needs for certain practices for which the use of funds will be limited.

II. AUTHORITY

The appropriation act for the fiscal year ending June 30, 1953, authorizes the formulation and administration of the 1953 program of soil-building practices and soil and water conservation practices, amounting to $250 million, including administration, and formulated on the basis of a distribution of funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the proportion allocated to any State shall not be reduced more than 15 percent from the distribution for the next preceding program year, and no participant shall receive more than $2,500. The act also provides that not less than $2,500,000 shall be used only for allotment to the Soil Conservation Service for technical aid in formulating and carrying out ACP practices and authorizes the use of 2½ percent of the allocation for any State, to be used in determining the most needed conservation practices on individual farms for which Federal assistance shall be given.

III. METHOD OF DETERMINING NET ALLOCATIONS

The amount of funds available for program payments is shown in table I and the distribution to States is shown in table II.

A. *Table I—Determining the net amount available for distribution to States.*—Table I shows the total amount available for 1953 ACP payments, the estimated amount required for the 1953 naval stores conservation program, and the estimated amount required for size-of-payment adjustments as provided in section 8 (e) of the Soil Conservation and Domestic Allotment Act. The amount available for net allocations to States (which is the difference between the total amount available for program payments and the naval stores and size-of-payment items) is also shown. The amount set aside for payments under the naval stores conservation program was determined on the basis of the proportionate part of the total which was set aside for this purpose under the 1952 program. The amount set aside for size-of-payment adjustments was estimated on the basis of the amounts required for such adjustments in past programs, taking into consideration the number of payees expected in the 1953 program.

B. *Table II—Determining net allocations for States.*—The net allocation for each State and insular area is shown in column 7 of table II, and was determined as follows: A minimum allocation was first computed for each State and area in accordance with the provisions of the act referred to above. The minimum may be computed on the basis of as much as 15 percent reduction from the State's proportionate part of the amount available for 1953, prorated on the basis of the 1952 distribution. However, it has been determined that 1953 minimum allocations should be based on an additional reduction of only 1 percent. Consequently, the minimum allocation for each State shown in column 3 represents a proration of 1952 allocations to 99 percent of the total available for 1953 net allocations.

The determination of the additional amount of the net allocation, if any, to be available to each State or area, was made on the basis of the estimated conservation needs. The conservation needs used for making this determination are the same as used in allocating 1952 program funds, except for some adjustments in Puerto Rico, which did not effect its allocation. The estimated ACP assistance needed annually for all practices in each State and area is shown in column 1 of table II, and the indicated net allocation (without regard to the minimum provision) is shown in column 2. Minimum allocations are shown in column 3. Columns 4 and 5 show the amounts, by States, by which column 2 exceeds or is less than the minimum allocation. In order to maintain all States at the required minimum allocation, the amount necessary to make up the deficit was taken pro rata from the indicated excess shown in column 5. The adjusted excesses are shown in column 6 and were added to the minimum allocations in column 3 to obtain the net allocation shown in column 7. Column 7 is the official State allocation exclusive of the size-of-payment adjustment.

TABLE I.—*Amount available for net payments to farmers under the 1953 agricultural conservation program*

	Amount
Total available for 1953 agricultural conservation program payments	$221,349,000
Less:	
Estimated amount required for naval stores conservation program	673,000
Estimated amount required for size-of-payment adjustments in the State and insular programs but not including the naval stores program	26,000,000
Net amount available for allocation to States and insular areas	194,676,000

TABLE 11.—*1953 agricultural conservation program allocations*

[In thousands of dollars]

State	Annual assistance needed	Column 1 adjusted to $194,676,000	1953 minimum allocation (99 percent)	Column 2 compared with column 3		Adjusted excess	1953 program allocation		Maximum amount of column 7 which can be used for committee contacts to determine most needed practices [2]	Amount of column 7 which can be used only if transferred to SCS under 5 percent agreements	Maximum amount for initial county allocations [3]	Amount of column 7 attributed to limited practices [4]
				Deficit	Excess		Prior to small payment increase	Estimated total including estimated small payment increase [1]				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Alabama	$45,765	$5,718	$5,946	$228			$5,946	$6,635	$165.9	$56.7	$5,723	$3,317.3
Alaska	52	7	27	20			27	28	0.7	0.1	26	8.2
Arizona	11,822	1,477	1,434		$43	$12	1,446	1,487	37.2	40.0	1,369	112.4
Arkansas	36,815	4,600	4,564		36	10	4,574	5,101	127.5	39.1	4,407	2,737.1
California	43,902	5,485	4,798		687	188	4,956	5,316	132.9	100.7	4,752	1,433.0
Colorado	23,696	2,961	3,248	287			3,248	3,462	86.5	69.6	3,092	1,064.0
Connecticut	3,560	445	487	42			487	543	13.6	0.9	472	302.9
Delaware	2,216	277	327	50			327	366	9.1	1.1	317	241.5
Florida	20,894	2,611	2,072		539	147	2,219	2,432	60.8	10.2	2,148	1,135.5
Georgia	54,997	6,872	6,897	25			6,897	7,828	195.7	71.6	6,630	3,878.2
Hawaii	1,154	144	182	38			182	192	4.8	2.5	175	67.0
Idaho	13,658	1,707	1,621		86	24	1,645	1,746	43.6	27.6	1,574	531.3
Illinois	65,968	8,242	7,821		421	115	7,936	9,397	234.9	120.9	7,580	4,086.2
Indiana	42,917	5,362	4,982		380	104	5,086	6,097	152.4	82.4	4,851	2,711.9
Iowa	72,224	9,024	8,448		576	157	8,605	10,413	260.3	164.3	8,180	4,083.1
Kansas	47,341	5,915	6,381	466			6,381	6,819	170.5	141.6	6,069	2,492.4
Kentucky	53,371	6,668	5,544		1,124	307	5,851	7,202	180.0	42.9	5,628	3,586.7
Louisiana	32,344	4,041	4,033		8	2	4,035	4,380	109.5	21.9	3,904	2,558.2
Maine	7,302	912	917	5			917	1,003	25.1	2.2	890	601.6
Maryland	7,861	982	1,278	296			1,278	1,480	37.0	9.0	1,232	775.4
Massachusetts	4,178	522	527	5			527	598	15.0	1.2	511	316.4
Michigan	38,410	4,799	4,455		344	94	4,549	5,500	137.5	43.3	4,368	2,552.4
Minnesota	46,523	5,813	5,377		436	119	5,496	6,664	166.6	94.2	5,235	2,587.5
Mississippi	49,254	6,154	6,253	99			6,253	6,917	172.9	58.4	6,022	3,624.2
Missouri	67,755	8,466	8,737	271			8,737	9,998	250.0	94.9	8,392	4,828.1
Montana	28,975	3,620	3,393		227	62	3,455	3,627	90.7	68.0	3,296	1,269.0
Nebraska	48,068	6,006	5,955		51	14	5,969	6,663	166.6	130.9	5,671	2,160.8
Nevada	2,916	364	250		114	31	281	292	7.3	7.0	267	39.3
New Hampshire	4,018	502	468		34	9	477	537	13.4	.5	463	293.8
New Jersey	4,514	564	711	147			711	832	20.8	6.1	684	409.3
New Mexico	14,475	1,809	1,762		47	13	1,775	1,876	46.9	40.1	1,688	160.8

See footnotes at end of table, p. 1814.

TABLE II.—*1953 agricultural conservation program allocations*—Continued

[In thousands of dollars]

State	Annual assistance needed	Column 1 adjusted to $194,676,000	1953 minimum allocation (99 percent)	Column 2 compared with column 3		Adjusted excess	1953 program allocation		Maximum amount of column 7 which can be used for committee contacts to determine most needed practices [2]	Amount of column 7 which can be used only if transferred to SCS under 5 percent agreements	Maximum amount for initial county allocations [3]	Amount of column 7 attributed to limited practices [4]
				Deficit	Excess		Prior to small payment increase	Estimated total including estimated small payment increase [1]				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
New York	$33,827	$4,226	$4,635	$409			$4,635	$5,353	$133.8	$29.7	$4,471	$3,036.9
North Carolina	49,130	6,138	6,006		$132	$36	6,042	6,978	174.4	47.1	5,820	3,694.7
North Dakota	30,905	3,861	4,460	599			4,460	5,019	125.5	45.3	4,289	2,698.7
Ohio	45,442	5,678	5,131		547	149	5,280	6,304	157.6	69.6	5,053	2,735.0
Oklahoma	54,658	6,829	7,208	379			7,208	7,996	199.9	103.5	6,905	3,827.4
Oregon	17,128	2,140	2,089		51	14	2,103	2,220	55.5	36.0	2,011	731.0
Pennsylvania	34,986	4,371	4,923	552			4,923	5,703	142.6	22.3	4,758	3,051.3
Puerto Rico	6,463	808	820	12			820	923	23.1	7.6	789	341.4
Rhode Island	594	74	82	8			82	93	2.3	.2	80	47.1
South Carolina	27,179	3,396	3,105		291	79	3,184	3,611	90.3	28.1	3,066	1,908.8
South Dakota	32,313	4,037	4,645	608			4,645	5,043	126.1	103.8	4,415	1,461.8
Tennessee	38,501	4,810	5,166	356			5,166	6,115	152.9	43.5	4,970	3,071.7
Texas	150,873	18,851	18,306		545	149	18,455	19,868	496.7	254.5	17,704	8,790.1
Utah	10,262	1,282	1,251		31	8	1,259	1,325	33.1	26.9	1,199	191.6
Vermont	8,310	1,038	1,015		23	6	1,021	1,119	28.0	1.8	991	673.7
Virgin Islands	97	12	12				12	14	.4	.1	12	3.5
Virginia	34,003	4,260	4,028		232	63	4,091	4,726	118.2	22.0	3,951	2,555.2
Washington	18,273	2,283	2,322	39			2,322	2,505	62.6	23.9	2,236	1,175.2
West Virginia	10,427	1,303	1,549	246			1,549	1,865	46.6	4.6	1,498	974.0
Wisconsin	41,723	5,213	5,150		63	17	5,167	6,402	160.0	41.8	4,965	2,669.3
Wyoming	15,986	1,997	1,931		66	18	1,949	2,063	51.6	37.8	1,860	249.3
Total	1,558,115	194,676	192,729	5,187	7,134	1,947	194,676	220,676	5,516.9	2,500.0	186,659	97,803.2

[1] This estimate is included only for the purpose of showing how column 9 was determined.
[2] Column 8 times 2½ percent.
[3] Column 7 less columns 9 and 10. If State reserves (other than the amounts shown in columns 9 and 10) are to be established for program services and CMS–ND expenses, such amounts should be deducted from this column before making initial county allocations. If a State uses less program funds for determining most needed practices than the amount shown in column 9, the amount not used may be added to the entry in column 11.
[4] As provided in memorandum of June 5, 1952, from Assistant Administrator for Production.

Original budget estimates

		On direct appropriation basis	On basis of program authorization
Agricultural conservation program:			
Appropriation act, 1953		$251,754,142	[1] $256,500,000
Reductions pursuant to—			
Sec. 411	$76		
Sec. 412	6,200		
		−6,276	
Adjusted appropriation, 1953, and base for 1954		251,747,866	256,500,000
Budget estimate, 1954		250,000,000	[2] 250,000,000
Decrease		−1,747,866	−6,500,000
Additional measures for acceleration of flood prevention:			
Appropriation act, 1953			
Budget estimate, 1954		2,436,000	2,436,000
Increase		+2,436,000	+2,436,000
Net increase or decrease		+688,134	−4,064,000

[1] Amount of advance authorization contained in 1952 Agricultural Appropriation Act.
[2] Amount of advance authorization contained in 1953 Agricultural Appropriation Act.

ADVANCE AUTHORIZATION FOR THE 1954 AGRICULTURAL CONSERVATION PROGRAM

The budget estimates propose an authorization for the 1954 agricultural conservation program amounting to $250 million, the same amount authorized by the Congress for the 1953 program.

For more than 100 years this Nation used up its land faster than any other nation in history. Nearly 50 million acres of land which once had been cultivated—more than 1 in every 11 acres of land once capable of growing crops—had become unsuitable for cultivation. Only about 100 million acres of land, representing about 10 percent of the land in the farms, was free from erosion. Attention became focused upon conservation as a national problem and definite steps were taken to provide for the preservation and conservation of the Nation's agricultural resources.

Under the agricultural conservation program and the soil and water conservation activities of local, State and other Federal agencies, extensive progress has been made in reducing erosion and rebuilding soil fertility. However, the Nation is not yet close to balancing its conservation with needs. The Nation has become aware that the concept of inexhaustible resources is false and that the amount of land available for production is very definitely limited. Agricultural resources must be protected and fertility must be built up to safeguard the future ability of the Nation's farms to produce enough to meet the growing requirements of an increasing population.

Over the past 10 years the average increase in population has been more than 2 million persons a year. On the basis of maintaining the 1950 level of diet, farm production, by 1975, would have to be increased by at least 25 percent to meet the normal needs. Most of this increase must come from present acres of cropland and pasture by increasing yields per acre. To get the needed increase, present acres must be built up and losses of productive acres must be checked. Improved varieties of seed, more and better fertilizers, and mechanization will all help to increase yields, but most important, the basic agricultural resources must be used according to their capabilities and treated according to their needs.

Financial assistance is especially important for the permanent type practices such as erosion control, drainage and forestry which require a substantial outlay of cash and which do not result in immediate cash returns. Although a farmer may recognize the need for carrying out this type of practice, he is influenced by the fact that his interest in the land is for a comparatively short period of time. The interest of the Nation, on the other hand, is for an indefinite period of time, since its strength and welfare depend upon the continued productivity of the soil and water resources.

1954 Revised budget estimate

		On direct appropriation basis	On basis of program authorization
Agricultural conservation program:			
Appropriation Act, 1953		$251,754,142	[1] $256,500,000
Reductions pursuant to—			
Sec. 411	$76		
Sec. 412	6,200		
		−6,276	
Adjusted appropriation, 1953, and base for 1954		251,747,866	256,500,000
Revised budget estimate, 1954		211,982,000	250,000,000
Decrease		−39,765,866	[2] −6,500,000

[1] Amount of advance authorization contained in 1952 Agricultural Appropriation Act.

[2] Although the advance authorization in the 1953 Agricultural Appropriation Act was $250,000,000 for the crop year 1953, current estimates indicate that only $240,599,240 will be required to meet program commitments, a decrease of $9,400,760. This amount, together with the decrease of $6,500,000 in the authorization, results in a total reduction of $15,900,760.

ADVANCE AUTHORIZATION FOR THE 1954 AGRICULTURAL CONSERVATION PROGRAM

The revised budget estimates propose an authorization for the 1954 agricultural conservation program amounting to $140 million. This is for a program limited to assistance on the more lasting or more permanent type conservation practices.

Under the agricultural conservation program and the soil and water conservation activities of local, State, and other Federal agencies, extensive progress has been made in reducing erosion and rebuilding soil fertility. The Nation has become aware that the concept of inexhaustible resources is false and that the amount of land available for production is very definitely limited. While approved varieties of seed, more and better fertilizers, mechanization, and other improved farming methods are essential to efficient farming operations, these can be most effective only if our basic agricultural resources are used according to their capabilities and treated according to their needs.

The estimates provide for modification of the program in 1954 through elimination of payments for recurring annual practices. The proposed advance authorization for permanent-type practices is at a level somewhat higher than for similar practices in 1952, and above that estimated for 1953. It is believed that farmers can and should be expected to carry the recurring annual type practices with their own resources as part of a sound conservation farming operation.

On the other hand, financial assistance is especially important and needed for the permanent-type practices such as erosion control, drainage, and forestry which require a substantial outlay of cash and which do not result in immediate cash returns. Although a farmer may recognize the need for carrying out this type of practice, he is influenced by the fact that his interest in the land may be for a relatively short period of time. The interest of the Nation, on the other hand, is for an indefinite period of time. Its strength and welfare depend upon the continued productivity of the soil and water resources.

Mr. WHITTEN. The advance authorization for this year was $250 million.

Mr. BEACH. Yes, sir.

FEDERAL GOVERNMENT'S COMMITMENT UNDER ANNOUNCED PROGRAM

Mr. WHITTEN. What recommendation is there in the revised budget for meeting the Federal Government's obligation under that announced program?

Mr. BEACH. We will meet that obligation by an appropriation of $211,982,000.

Mr. WHITTEN. What was the Truman budget recommendation to pay for that?

Mr. BEACH. The Truman budget recommendation was $250 million even. There is a reason for the change. Do you want me to go into the reason?

Mr. WHITTEN. Yes.

Mr. BEACH. The reason for the change is the use of funds that had become available out of previous years' appropriations, and a change in the method of actually operating the 1953 and 1954 calendar year programs, which I will describe.

No. 1 was the underearnings. That is the best way to express it, the underearning of 1951 program funds. That amounted to about $13,888,443. That, combined with a reduction in the amount of advances for conservation materials and services under the 1952 program, plus a change in the 1953 advance conservation materials program, resulted in our having available to pay off CCC in the fiscal year 1953, $25,400,018 that we did not expect to have available until we got the 1954 appropriation. In other words, we have it now. That determination was not available until after December 31.

In other words, when the final reports of expenditures came in on the 1951 program, after December 31, 1952, we were able to tell the amount by which our previously estimated obligations were over what was actually used.

Mr. WHITTEN. When was the Truman budget released?

Mr. BEACH. It was released shortly after the first of the year.

Mr. WHITTEN. January 4?

Mr. BEACH. Yes, sir.

Mr. WHITTEN. When did you first have this information available?

Mr. BEACH. We requested information from the States about the middle of January, January 12.

Mr. WHITTEN. Did you voluntarily report this information, or did you have orders to find places where you could reduce this? I want to know what the facts are.

Mr. BEACH. We would have voluntarily reported it to this committee, had there been no revision in the budget.

Mr. WHITTEN. I mean, were you called on within the Department to find some means of reducing this figure?

Mr. BEACH. Yes, sir.

Mr. WHITTEN. Did you develop these figures voluntarily, or were you told to find places where you could reduce this?

Mr. BEACH. I would say both, Mr. Whitten. We were asked to find ways, but I think, in our first session before the budgetary review took place, Mr. Coke, we described this situation.

Mr. WHITTEN. In the years I have been on this committee you folks have always led the committee and me to believe that you had need for this reserve so as to have materials in advance of funds becoming available. Now you tell me you have no need for any revolving fund, so to speak. Will you have to make this up by borrowing from the CCC?

Mr. BEACH. No, sir. I think Mr. Williams should explain the reasons for the changes in the advance purchases of conservation materials and services. This reflects not only the amount of funds

not used for the 1951 program but also a reduction in the amount contemplated in the way of advance purchases of conservation materials.

UNUSED STATE ALLOTMENTS

Mr. WHITTEN. I would like the record to show the States which failed to use up the amounts allotted to them and the amounts they failed to use up, and when those were reported back to you and when you in turn reported them to the Secretary.

Mr. BEACH. All right, sir.

(The information requested is as follows:)

Comparison of funds available for conservation aids to farmers with funds actually used, 1951 agricultural conservation program

State	Funds available			Funds used	Amount not used
	Allocations	Small payment increases	Total		
Alabama	$7,182,000	$629,000	$7,811,000	$7,758,000	$53,000
Arizona	1,720,000	13,000	1,733,000	1,720,000	13,000
Arkansas	5,514,000	704,000	6,218,000	5,916,000	302,000
California	5,553,000	99,000	5,652,000	5,268,000	384,000
Colorado	3,924,000	226,000	4,150,000	4,051,000	99,000
Connecticut	589,000	58,000	647,000	562,000	85,000
Delaware	395,000	42,000	437,000	437,000	
Florida	2,307,000	191,000	2,498,000	2,469,000	29,000
Georgia	8,332,000	897,000	9,229,000	9,148,000	81,000
Idaho	1,930,000	121,000	2,051,000	1,556,000	495,000
Illinois	9,316,000	1,653,000	10,969,000	10,388,000	581,000
Indiana	5,893,000	1,105,000	6,998,000	6,943,000	55,000
Iowa	10,015,000	1,977,000	11,992,000	11,885,000	107,000
Kansas	7,708,000	483,000	8,191,000	7,063,000	1,128,000
Kentucky	6,290,000	1,300,000	7,590,000	7,542,000	48,000
Louisiana	4,872,000	281,000	5,153,000	5,105,000	48,000
Maine	1,108,000	95,000	1,203,000	1,176,000	27,000
Maryland	1,543,000	173,000	1,716,000	1,696,000	20,000
Massachusetts	637,000	55,000	692,000	633,000	59,000
Michigan	5,267,000	1,014,000	6,281,000	6,064,000	217,000
Minnesota	6,348,000	1,348,000	7,696,000	6,820,000	876,000
Mississippi	7,554,000	624,000	8,178,000	7,921,000	257,000
Missouri	10,555,000	1,136,000	11,691,000	11,081,000	610,000
Montana	4,025,000	112,000	4,137,000	3,871,000	266,000
Nebraska	7,194,000	774,000	7,968,000	7,405,000	563,000
Nevada	258,000	9,000	267,000	266,000	1,000
New Hampshire	555,000	43,000	598,000	558,000	40,000
New Jersey	859,000	118,000	977,000	929,000	48,000
New Mexico	2,116,000	58,000	2,174,000	2,085,000	89,000
New York	5,599,000	742,000	6,341,000	6,320,000	21,000
North Carolina	7,227,000	1,100,000	8,327,000	8,291,000	36,000
North Dakota	5,388,000	553,000	5,941,000	5,777,000	164,000
Ohio	6,009,000	1,336,000	7,345,000	6,993,000	352,000
Oklahoma	8,708,000	677,000	9,385,000	8,908,000	477,000
Oregon	2,511,000	107,000	2,618,000	2,469,000	149,000
Pennsylvania	5,948,000	877,000	6,825,000	6,504,000	321,000
Rhode Island	99,000	9,000	108,000	97,000	11,000
South Carolina	3,651,000	484,000	4,135,000	3,920,000	215,000
South Dakota	5,612,000	380,000	5,992,000	4,358,000	1,634,000
Tennessee	6,241,000	983,000	7,224,000	7,103,000	121,000
Texas	21,970,000	1,268,000	23,238,000	22,910,000	328,000
Utah	1,503,000	57,000	1,560,000	1,346,000	214,000
Vermont	1,221,000	107,000	1,328,000	1,309,000	19,000
Virginia	4,792,000	652,000	5,444,000	5,412,000	32,000
Washington	2,804,000	176,000	2,980,000	2,835,000	145,000
West Virginia	1,871,000	350,000	2,221,000	2,149,000	72,000
Wisconsin	6,214,000	1,413,000	7,627,000	7,476,000	151,000
Wyoming	2,315,000	41,000	2,356,000	1,926,000	430,000
Total, States	229,242,000	26,650,000	255,892,000	244,419,000	11,473,000
Alaska	33,000	1,000	34,000	29,000	5,000
Hawaii	219,000	4,000	223,000	203,000	20,000
Puerto Rico	991,000	205,000	1,196,000	958,000	238,000
Virgin Islands	15,000	2,000	17,000	14,000	3,000
Total, insular	1,258,000	212,000	1,470,000	1,204,000	266,000
Total, States and insular	230,500,000	26,862,000	257,362,000	245,623,000	11,739,000

Comparison of funds available for conservation aids to farmers with funds actually used, 1951 agricultural conservation program—Continued

State	Funds available			Funds used	Amount not used
	Allocations	Small payment increases	Total		
Naval stores	$500,000		$500,000	$477,000	$23,000
Subtotal	231,000,000	$26,862,000	257,862,000	246,100,000	11,762,000
Other program expenses and reserve [1]			1,955,957	1,657,047	298,910
Total			259,817,957	247,757,047	12,060,910
Budgeted for 1951 conservation materials and services under the 1951 appropriation but not used					1,827,533
Total not used					13,888,443

[1] Includes expenses for aerial photography, printing and binding, Bureau of Plant Industry, and Treasury Department.

NOTE.—On Jan. 12, 1953, the States were requested to furnish information on funds used under the 1951 agricultural conservation program. Since the appropriation for this program was available until Dec. 31, 1952, for compliance with practices under the program, it would not have been possible to obtain data prior to that time. The information received from the States was furnished to the Assistant Secretary on Feb. 10, 1953. The revised estimates were transmitted to the Bureau of the Budget on Mar. 2, 1953.

ADVANCE PURCHASES OF CONSERVATION MATERIALS AND SERVICES

Mr. BEACH. There is still further information with respect to this reconciliation. I would like to complete it. With respect to the funds to be used in the fiscal year 1954, there is also a change reflected in the amount of advance purchases of conservation materials and services out of the 1954 appropriation.

Mr. WHITTEN. Does that come about by an elimination of the practices which formerly had prevailed?

Mr. BEACH. It would be more the reduction of nonpermanent type of practices, as I understand it, Mr. Williams, as the basis for this.

Mr. WILLAIMS. That is correct. It would stem from two reasons, one of which would be a different type of program directed toward more permanent type practices, less of the annual recurring practices which heretofore have used a larger volume of the CMS materials and services. The different type of program, plus the reduced volume of the program, as suggested, would account for the anticipated reduction in the amount of CMS in the first 6 months of the 1954 program year.

EFFECT OF REDUCTIONS UPON COMMITMENTS TO FARMERS

Mr. WHITTEN. This Congress has repeatedly and very jealously protected the funds necessary to carry out any commitment it made to the farmers, sometimes after a bit of a fight. This program provides that on the average the Federal Government has paid about one-third of the cost, and the farmer has paid about two-thirds of the cost of these soil-conservation practices.

Having announced the program, whereby the farmer had contributed his dollars, the Congress has always felt that there was an absolute commitment to carry out the Federal Government's part. What provision is there for carrying out this commitment if you should be wrong in your guess as to how much money it will take?

Mr. WILLIAMS. The commitments which have been made to the farmer, Mr. Whitten, are fully protected by this $211,982,000 item. That is based on the approvals which have been given by county committees to farmers for the practices for which they requested assistance for this year.

Mr. WHITTEN. The report from my State is that, as a result of the change which this committee encouraged, of trying to get the lands into the program which needed conservation most, there has been an 80-percent increase in the number of participants; and instead of overpaying them, actually PMA is having to reduce by almost 50 percent what it had expected to contribute to meet the Federal contribution toward the cost of practices. When did you develop the information as to what the farmer is actually carrying out under the announced program of last year? Do you have a compilation by States of what each farmer has done?

Mr. WILLIAMS. We have projected estimates based on reports from each State.

Mr. WHITTEN. That is what I am talking about. You have an estimate. We announced a $250 million program last year. If it should develop that the farmers have earned that, instead of what you think they have earned, what means is there for the Congress to live up to its obligation?

Mr. WILLIAMS. Mr. Ritchie, will you comment further on that?

Mr. RITCHIE. Mr. Whitten, the projection of the $211 million figure being sufficient is on the basis that that will permit meeting the commitment made to farmers based on a program of $250 million, as authorized by the Congress.

Mr. WHITTEN. You stated that we said we would pay $250 million of the cost of these practices.

Mr. RITCHIE. That is prior.

Mr. WHITTEN. Now you say we are carrying out that commitment when we provide $211 million.

Mr. RITCHIE. Let us see if I can clear it up in this way: The commitment to the farmer is for the money available after the deduction of the administrative cost of the program, which means that an amount substantially less than $250 million is committed.

Mr. WHITTEN. That is right.

Mr. RITCHIE. On the basis of the recoveries from programs prior to 1952—this does not contemplate an estimate of how much savings there will be on the 1952 program. It does take into account the actual saving by unused funds from the 1951 program.

Mr. ANDERSEN. Mr. Roberts, will you explain this matter?

Mr. ROBERTS. I have a table here, which I think will help explain it, if you wish to have it for the record.

(The table referred to is as follows:)

Conservation and use of agricultural land resources, fiscal year 1954

	Original budget, 1954	Revised budget, 1954	Change, revised budget compared with original budget
1953 agricultural conservation program:			
Conservation aids to farmers	$213,332,140	$213,332,140	
Other program expenses and reserve for contingencies	4,396,860	1,088,400	−$3,308,460
Subtotal	217,729,000	214,420,540	−3,308,460
PMA county committee operating expenses	27,372,476	21,505,176	−5,867,300
National and State office operating expenses	4,898,524	4,673,524	−225,000
Total, above items	250,000,000	240,599,240	−9,400,760
Adjustments		−28,617,240	−28,617,240
Total, 1953 agricultural conservation program	250,000,000	211,982,000	−38,018,000
Additional measures for acceleration of flood prevention	2,436,000		−2,436,000
Total appropriation or estimate	252,436,000	211,982,000	−40,454,000

Mr. ROBERTS. I want to explain the statement I have made available for the record. Under the original advance authorization of $250 million, the Department announced a program which contemplated conservation payments to farmers of $213,332,140. That amount was provided for in the original budget. The difference between the $213,332,140 and the $250 million was to be utilized as indicated on this table.

In the revised budget, we are protecting that commitment which has been made to the farmers, and are providing $213,332,140 for that purpose, with reductions being made in the reserve for contingencies, and an item of aerial photography costs which is involved.

Mr. BEACH. Also a reduction in expense.

Mr. ROBERTS. There is also a reduction in county, national, and State operating expenses.

That comes out to a total of $240,599,000. Then the adjustments which Mr. Beach has explained make it possible to reduce the appropriation to $211 million. The minus adjustments total $28,617,240. That is due, as he has said, to two things: The availability of the balances carried forward, and a reduction in the amount of advance materials that will have to be purchased from this appropriation for the 1954 crop program, due to the fact that the advance authorization has been reduced to $140 million and limited to the permanent-type practices, and lime and fertilizers for initial establishment of grasses, and so forth.

Mr. ANDERSEN. May I correct you, Mr. Roberts: The advance authorization requested.

Mr. ROBERTS. Requested, yes.

Mr. ANDERSEN. Because we have not agreed to any such authorization as yet.

Mr. ROBERTS. I did not intend to imply that the Congress had done so, Mr. Chairman.

Mr. ANDERSEN. Thank you, sir.

Mr. ROBERTS. Therefore, the revised budget carries the same amount of funds for meeting commitments to the farmers that the original Truman budget carried.

Mr. ANDERSEN. Let me ask you this specific question, Mr. Roberts: In your opinion no farmer will lose a dime on commitments made under this year's program; is that a fact?

Mr. ROBERTS. That is a fact.

Mr. WHITTEN. Could this committee provide that in case you should run short, the money should be borrowed from the Commodity Credit Corporation?

Mr. BEACH. Mr. Whitten, there is already authority for borrowing for advance purchases of conservation materials.

Mr. WHITTEN. All right. If you have made a bad guess under the pressure of being practically instructed to reduce this budget, what provision can we make this year to see that those funds will be made available by Commodity Credit? Would it require a change in the law?

Mr. BEACH. No, sir. There is another point which Mr. Ritchie mentioned. That is, we have not taken into consideration any potential underearnings on the 1952 program at all. There are always some. We do not know how much it would be, and we have made no guess.

Mr. WHITTEN. But that fund would be available, to the extent it is returned, for carrying out these obligations?

Mr. BEACH. Yes.

Mr. ROBERTS. I should like to emphasize, too, that even under the $250 million program we would not have paid out more than $213,332,140 for practices.

Mr. BEACH. I think there is another important point. The appropriation finances 2 calendar year programs. In other words, that appropriation to carry out the 1953 authorization included funds for advances on the next year's program. That has been cut back, you see, which gives you more leeway in the actual amount of appropriation required for 1954.

ESTIMATED ADMINISTRATIVE SAVINGS

Mr. ANDERSEN. Mr. Beach, you mentioned a saving made on the administrative end in 1953, which makes possible a part of this decrease. Just how and where did you secure those particular savings?

Mr. BEACH. Sir, the particular savings I was emphasizing were in the fiscal year 1954. We would make savings also in connection with our budgetary review for 1953 of $100,000, estimated, for 1953; $39,295 was in Washington, and $60,705 was in the State offices. There was nothing in the counties.

With regard to 1954, the revised budget does not include any money for the individual farmer-contact, which cost roughly $5.5 million some odd in the fiscal year 1953, paid from program funds. The original budget had that included as a request for administrative expense limitation.

Then, in addition, we have savings estimated of $133,863 in Washington and $91,137 in the State offices in the fiscal year 1954, making a total savings for the fiscal year 1954 of $6,092,300 in the administrative expenses in total.

Mr. ANDERSEN. Thank you, Mr. Beach.

NEED FOR HELPING FARMER

Mr. Williams, I appreciate the detailed statement which you have given to the subcommittee. I would like to ask you this very general question: Just how do you, as the man in direct charge of this particular program, look upon the need for helping the average farmer take care of his soil?

Mr. WILLIAMS. Mr. Chairman, I am very happy to comment on that.

Mr. ANDERSEN. I would like to have your viewpoint.

Mr. WILLIAMS. I feel that this total conservation job, Mr. Chairman, consists of a number of segments, of which the financial assistance is a very important segment of that whole picture. Certainly we cannot do other than recognize the absolute necessity of appropriate research, appropriate education, technical assistance, and financial assistance. As Mr. Coke has indicated, there undoubtedly is a place for some further degree of credit than may now be available. Certainly the financial assistance of the agricultural conservation program has been a major factor, but certainly not the sole factor in terms of helping to accomplish soil and water conservation in this country. I feel that there is very definitely a place for this sort of a program, and that insofar as it may be possible, as we go forward with it, to put it on a sounder basis, with any continuing improvement, that that should be done. I support the purpose of the program fully.

Mr. ANDERSEN. I know from past knowledge that you feel that soil conservation is very essential to the welfare of this Nation.

Mr. WILLIAMS. That is right.

Mr. ANDERSEN. I am glad to see that. If this work is essential, and I do not feel that any sane person in the United States would say it was not, then we must ask ourselves just how much should we as a Nation expend to insure that we will leave this soil of ours in as good or better shape for generations to come than we found it.

I will agree, wholeheartedly, that there are individual farmers in certain sections who would go ahead and improve their lands without having any benefits whatsoever through this program.

I can well recall that the farm which my father took over in 1901—more than half a century ago—in Minnesota, and which I am operating today. I know that Mr. Marshall has a farm which his father operated ahead of him. Each of those two farms are in a better state of productivity today than they were when our fathers originally took them over. Will you not agree with me, Mr. Marshall?

Mr. MARSHALL. Mr. Chairman, in looking at my own farm, I feel that much of the productivity of my farm has been increased. However, there are those elements which have been depleted through the natural use. We find soil fertility on our farm is an increasing problem in order to supply the elements that are needed.

Mr. ANDERSEN. Of course. I will also add, Mr. Marshall, that much of our increase in productivity has been because of research and such things as hybrid corn development.

Mr. MARSHALL. One of the boons to the productivity of our own home farm was putting more land in hay, grass, applying the fertilizer and other elements to the land. That helped restore the fertility which was taken out by a cash-crop system of farming.

Mr. ANDERSEN. You are absolutely correct.

Now, getting back to my original premise. I think we can safely say that 20 percent of the farms in the Nation have been treated in such fashion. But, Mr. Williams, we must watch out for that other 80 percent which, perhaps, has not had equal treatment. If we do not, we are going to get into dire straits in food production by the year 2000, or earlier.

ADEQUACY OF ESTIMATES FOR PROGRAM FOR 1954

Personally, I am rather disappointed in seeing that the Secretary has decided on only a $140 million program, which in reality, is only $114 million after deducting administrative expenses.

Is that sufficient to do the job, considering the future demands on agriculture? Are we saying that we cannot spend more than one-half the cost of a new aircraft carrier in this program in 1 year?

Last year, I voted for a $200 million aircraft carrier, and I will do so from year to year. But I just wonder if we are not losing our sense of balance when we come in here and propose a drastic reduction in this program. I will never agree to a plan for only $140 million for crop year 1954.

I think, gentlemen, that it should be at least a $200 million program, and I feel that this Congress will certainly set it at around $200 million. That, minus administrative expenses, will mean about $170 million available for conservation of our soil.

Have you any comment on that, Mr. Williams?

Mr. WILLIAMS. Mr. Chairman, I think we all realize that the interest in getting conservation done and accomplished on the land has been growing very rapidly in this country. Not only on the part of farm people, but on the part of urban people as well. There is a strong national recognition of the total job to be done. While there may be differences of viewpoint with regard to just how to get it done, I believe that the average farmer realizes, and I think nearly everyone else realizes now, that this job cannot be done alone by financial assistance or cannot be done alone by technical assistance or education, but that it must be done by an integration of the total effort.

I certainly would not recommend, and I would be the last to recommend any slackening on the part of our national interests in order to get the conservation job done. I think it is too important for that, but I believe that there is the question which must be faced, and that is how much to put into it in any given year. On the basis of thinking in terms of a permanent type practices program, with the elimination of the annual recurring practices, which it appears that many farmers, if not most farmers ought to be able to carry on annually themselves, and putting it on a permanent type program approach, it would appear that a level of $140 million does not compare too seriously with what we have been spending for the same type of program heretofore.

You might be interested in looking at this chart, which indicated of the net assistance available to the farmer, after administrative expenses and the small payment limitation and so forth are removed, that the 1951 program which is now a matter of record of exactly the amount that was spent, approximately $88 million of the $220 million

went into the so-called permanent-type practices that we are talking about here now.

In the 1952 program, the final figures of which are not complete yet, it is estimated that about $95 million of the $191 million available for net assistance will go into the permanent-type practice.

In 1953, the program just now getting underway and, of course, it is purely an estimate, but the estimate is based on the experience of the number of applicants signed up and other factors, it appears that of the $186 million available in 1953 for net assistance, that approximately $107 million will likely go into the so-called permanent-type practices.

The program that is projected for 1954, under this $140 million level, on a basis of past experience and the indications that we have in the signup for this year, indicates that approximately $112 million would be available to go into permanent-type practices, as compared with approximately $107 million for 1953, $95 million for 1952, and approximately $88 million for 1951.

Mr. ANDERSEN. I am in full accord with you and Mr. Coke in encouraging permanent practices. That is the only sensible thing to do. My question, however, is whether or not this great country of ours can afford to go below a certain level of expenditure in performing a permanent-type practice program to conserve the soil of America. And, I repeat again, if we can afford to put $200 million into an aircraft carrier, annually, it seems to me that we can afford to do that much for soil conservation.

I want to remind you people that I attempted on the floor of the House last year, and failed by one vote, to reduce the level of soil-conservation payments by $50 million—from $250 million to $200 million. I still feel that I was right, but I think our Nation is going to be penny wise and pound foolish if we cut this program below $200 million. With your $140 million proposed program for 1954, that will mean a net of only $112 million for approved, permanent-type soil-conservation practices.

We have the chairman of our full Appropriations Committee here, and I know he does not agree with me on this. Mr. Taber, have you any comment to make at this point?

SHARE OF DEPARTMENT OF AGRICULTURE IN REDUCTION OF FEDERAL EXPENDITURES

Mr. TABER. I know that we have a situation, which if allowed to drift, will take us beyond the $275 billion presently set as the debt limit.

I have been in hopes that we could reduce the cost of Government sufficiently to enable us to come somewhere near balancing the budget. Piling up more debt means more inflation.

Now, no one particular group, in my opinion, can afford to expect to have everything they want. I will give you an illustration in another line that stands out very markedly.

There was $4,200,000,000 set up for obligation on the books of the Mutual Security Agency for military aid to other countries as of July 1. On April 1 that same figure stood at $4,600,000,000. In other words, it had not been reduced as a result of obligation, but it had been increased as a result of deobligation. Frankly, it is hard for me

to understand why they need a further appropriation, when they have not obligated any substantial amount of what they have.

Mr. ANDERSEN. Mr. Taber, if you will permit me. I am certainly in agreement with you on that. I think it is ridiculous that we expend the money we do abroad.

Mr. TABER. Now, agriculture has been the beneficiary of very large programs, through the price-support program and this so-called conservation program. There are a lot of people who feel that we should do away with both of them.

I do not believe that anyone ever did get his own way on everything. And I expect that somewhere, some way, we have got to work out a settlement.

It looks to me as if the Secretary has looked the thing over pretty carefully and tried to arrive at a reasonable figure. He may have made a mistake—we all make mistakes—but I am rather inclined to believe that he is about right in his estimate of the present situation.

With the price-support program, we have had a lot of land producing corn and wheat and other commodities that was not too well suited to it. The fellow who has good land has been reaping a real harvest out of corn and wheat. Those that had very mediocre land have been able to keep it going because of the high price supports and the high subsidies. That has not contributed to a long-time, healthy agriculture, although it has provided a very substantial profit to the fellow who has been operating the marginal lands. I think that the fellow who is really interested in agriculture must have those things in mind, and we have got to get to a reasonable conclusion on the thing.

Mr. ANDERSEN. I just want to make this comment, for the record. You mentioned the income of corn and wheat farmers. Agriculture in my county in southwestern Minnesota is mainly that of corn farming.

There is one thing that a lot of people forget, and that is that a farmer must have a crop before he can benefit from the good price currently obtaining on that crop.

For two years, the 1951 and 1952 crop years, my entire corn crop froze out, even though it is only 60 miles from the Iowa border. As a consequence, in 1952, I showed a direct cash loss in operating my farm of $3,400, and as a result I received a rebate on my income tax from the Federal Government of about $1,500. That helped me to carry the load, but it meant that much less receipts into the Treasury.

The point I am bringing out is this: We do not get these good prices for the product until we are able to put the product into the hands of the Commodity Credit Corporation. I know what the statistics on my farm show for those 2 years, and it has made it pretty tough for me financially.

Mr. Hunter, do you have any questions on the statements of Mr. Coke and Mr. Williams?

Mr. HUNTER. I was not here when Mr. Coke was speaking. I was unable to be present because there has been a bill on the floor of the House this afternoon which is of importance to California agriculture and it was necessary for me to be there during part of the debate.

I have read his statement since and I want to commend him for his remarks. I feel that the Secretary's decision to place all conservation programs under one Assistant Secretary is a sound one and I believe that it will bear fruit in the future. I feel as Mr. Taber does that the

time has come when we have got to balance the budget, and the original overall budget which was presented to us, I believe, involved the expenditure of some $78 billion, as against $68 billion in anticipated revenues from present taxes.

Mr. TABER. That is what they estimated.

Mr. HUNTER. That means that if we carry through with the original budget, we will be increasing the debt by $10 billion, which would put us over the statutory limitation of $275 billion.

We all know that deficit financing is the primary cause of inflation, and inflation is something which will, if not checked, eventually destroy the credit and solvency of our country.

We are having difficulty borrowing money, and people are complaining about the fact that interest rates are going up. The reason they are going up is because in refinancing the debt through new bond issues we have got to pay a higher interest rate in order to get anyone to purchase the bonds.

I think that the Secretary of Agriculture, within his Department, has done a very good job, all things considered, in trying to reach an overall reduction of Federal expenditures so that we can stay within our income.

I do not think any of us would go on the floor and ask for any increase in taxes. As a matter of fact, the demands throughout the country are for a reduction in taxes, and if we are going to have a reduction in taxes, we have to reduce spending.

I think we ought to try to get along on the $140 million for ACP, which the Secretary has requested.

PERMANENT-TYPE PRACTICES

Mr. Williams, as I understand it, this amount of money will proprovide what is necessary for permanent-type practices; is that correct?

Mr. WILLIAMS. It will provide somewhat in excess of the amount that is estimated that will go into such practices for this year and a greater amount than has gone into permanent-type practices in any previous year. As to the answer to your question as to whether it is the total amount needed or not, that is a little more involved.

Mr. HUNTER. Relatively speaking, though, we will maintain the same level of expenditures for permanent-type practices and the reduction, as I understand it, is going to come in what we call the annual recurring practices?

Mr. WILLIAMS. Yes, sir.

FERTILIZER

Mr. HUNTER. You will leave it to the farmer to pay for his fertilizer that he uses year after year; is that your understanding?

Mr. WILLIAMS. Mr. Hunter, we have not felt, in regard to fertilizer that we should have a program of no fertilizer. We do feel that there is a place for minerals.

Mr. HUNTER. For bringing land up to standard.

Mr. WILLIAMS. In establishing permanent vegetation and making land conversions and things of that sort. I would not want to leave the impression that we are not recommending any fertilizer use in the program.

Mr. HUNTER. I understand that under the Department's new program there will be payments for fertilizer where the purpose is to reclaim land and to bring it up to a standard so it can be used for agricultural production. But, once that level is reached, then, the policy will be to require the individual farmer to pay for his own fertilizer?

Mr. WILLIAMS. We are thinking of the use of minerals in terms of, first, where they are needed, as indicated by soil tests; and, second, for the initial establishment in connection with the conversion of land in the establishment of permanent cover and long term crop rotation.

Mr. ANDERSEN. Mr. Williams, you mentioned bringing land up to a certain productive standard, as being along the line of what you think of as permanent practices?

Mr. WILLIAMS. It is in that direction; yes, sir.

Mr. ANDERSEN. In my own congressional district we have approximately 150,000 acres of formerly first-class farmland, which because of the silting in through the ordinary avenues of drainage, such as the small creeks and rivers, has now become waterlogged. And it is beyond the capacity of the community affected to recover that land.

Now, would you not say that it might be well to take an entire community involved in such a situation and get the farmers together and utilize their payments toward recovering former good agricultural land?

Mr. WILLIAMS. I certainly think it would, Mr. Chairman. I am very much in favor of encouraging any efforts in pooling agreements where there is a community conservation problem that can be solved as a result of the desire of the people to work together on it.

Mr. ANDERSEN. You would not, in other words, rule out what we term drainage problems from farm-type practices?

Mr. WILLIAMS. No, sir.

ANNUAL RECURRING PRACTICES

Mr. HUNTER. I have talked to a considerable number of farmers in my district about this problem. I have asked them whether they thought the Federal Government should pay for annual recurring practices. I have not had one yet tell me he felt that was a Federal obligation. There are a number of them who have participated in the past, but realizing that, in order to balance the budget, reductions have to be made all the way across the field of Government operations they are willing to forego such type of payment.

I have also asked these same farmers what they felt the Government's responsibility is in this field, and almost to a man, the answer has been that they feel the Department of Agriculture should, through research and experimentation, determine new and better practices, and where it is necessary for farmers to participate in experiments that they be reimbursed for such costs as are involved in trying out new type practices. However, once a practice has been proved and it has been determined that it will result in a direct monetary return then it should be up to the farmer to undertake it on his own responsibility, without further assistance from the Government.

It is my understanding, from what I have heard and read, that such philosophy is much in keeping with Secretary Benson's own philosophy in the matter.

Now, I do not think that the country is going to fall apart if the proposed reduction in ACP is made.

It is interesting to note in California that only 23 percent of the cropland is participating in the ACP program and only 12 percent of the farms. Only 12 percent of the ACP money that is spent in California is spent on inorganic materials, and yet, it is a fact that California spends as much, or more, than any other State in the Union on fertilizers. It means a direct return to the farmer in terms of production. So, even with such a relatively minor participation in the program, we find the farmers are using fertilizers to a very great extent.

FARMER CONTACTS BY COMMUNITY COMMITTEES

Now, as Mr. Beach, or someone, mentioned, you propose to cut out much of the money used for farmer contact work.

Mr. WILLIAMS. Yes, sir.

Mr. HUNTER. Will someone explain that?

Mr. WILLIAMS. I believe there are two points, Mr. Chairman, that were included in my general statement which I would like to remark on for a moment.

Mr. ANDERSEN. Go ahead.

Mr. WILLIAMS. One is the point which Mr. Hunter has just inquired about: The community committee contact approach that was used in the fall of 1952 for the first time in all of the counties in the country. During the previous fall, it had been tried out on a sample-county basis and was extended to the other counties in the fall of 1952, as a method of acquainting the farmers with the opportunities of the 1953 program and in endeavoring to encourage them more in the direction of permanent-type practices, and, as I understand it, in an effort to get more farmers to do something about conservation, and certainly, the objectives of that approach are correct.

The expenditures to get that job done and the mechanics of getting it done including the training of community committeemen all over the country to contact farmers and to talk with them about their conservation problems and any conservation program they might have under way, and so forth, was a huge undertaking. An effort to help in the training was undertaken by the Soil Conservation Service, and the Extension Service helped with it, and various others helped with the job of training the community committeemen. I will say that the community committeemen, who went at the job in a forthright manner and did a good job of coverage, accomplished a great deal toward the objective of increased interest in conservation.

We do feel that with the type program projected here, if the Congress sees fit to authorize this sort of a program—a permanent-type program of practices—that alternative means of informing the farmers and of giving them the opportunity to make application for it, can be found with a decreased expense. So, therefore, we have eliminated from this recommendation approximately $5,517,000.

Mr. HUNTER. I might say that this program as first proposed was considered by the county committee of Fresno County, which is my home county, and they refused to have any part of it. It was felt it was a part of Mr. Brannan's program to propagandize the farmers

before the 1952 election. I think that that type program, if it were carried on, could lead to serious abuses.

I personally think that there are ways of acquainting farmers with the various programs of the Department of Agriculture other than by these payments to committeemen to go out and preach the gospel.

I feel you have done right in eliminating that item in the budget.

SMALL PAYMENT INCREASE PROVISION

There is one other question which I would like to ask. Would someone explain the nature of these bonus payments in connection with ACP payments?

Mr. WILLIAMS. Mr. Chairman, I believe Mr. Hunter is referring to the small payment increase provision.

Mr. HUNTER. Yes, that is correct.

Mr. WILLIAMS. The provision for the small payment increase is a part of the basic Conservation and Domestic Allotment Act, section 8 (e), in which there has been set forth as a part of the law as well as in the national bulletin each year, a provision for extending additional assistance to farms earning less than $200 per year in the conservation practices that they have installed. That is a sliding-scale rate which has, annually, been included in the national bulletin.

The record of the past several years indicates that there have been well over 90 percent of all the farms participating in the ACP program who have received the benefit of the small payment increase. While it seems rather obvious that one of the purposes to be accomplished was to extend additional assistance to small farms, we believe that there is a question as to whether it can actually function to obtain that objective. In 1951, I believe, 93 percent of all of the participants in ACP received a small payment increase.

Mr. HUNTER. Someone has stated that if a farmer, for example, qualifies for $175 worth of fertilizer, he is given that amount of money and he spends it for that purpose. Then, in addition, he gets another payment for which he does not have to account; is that correct?

Mr. WILLIAMS. I would like to ask Mr. Ritchie to comment a little further on this, Mr. Hunter. He has been very close to the whole program.

Mr. HUNTER. Mr. Ritchie, give an example of how it works.

Mr. RITCHIE. As an illustration, any farmer—and it is on an individual basis and is not related to the farm and he could earn it on 5 farms if he had 5 farms, or any farm—that earns less than $200 for a program that is carried out, automatically gets the payment increase. If he earns as much as $66, he gets an automatic increase of $14. From $66 on down, there is a sliding scale of something less than $14, by a little larger percentage.

This provision, as the gentlemen of the committee know, was included in the basic act at a time when the agricultural conservation program was a sort of dual program; it was making commodity payments to farmers on cotton, wheat, corn, rice, and other basic commodities as a part of the overall purpose of the Soil Conservation and Domestic Allotment Act of restoring the purchasing power of farmers, and also was making payments for conservation practices. However, since 1944, it has been restricted, I believe, to payments for conservation only.

Since those payments are increased, without regard to the size of the farm involved, as Mr. Williams pointed out, there is a serious question as to whether the small payment increase, in any appreciable degree, works to the benefit of small farmers.

Mr. HUNTER. Can you give me an example, using specific figures and a particular practice?

Mr. RITCHIE. Yes, sir. Let me give an example this way: Suppose the offer of assistance to the farmer is one-half the cost under the 1953 program of applying agricultural lime, and he applies $100 worth of lime, thereby earning $50 in program assistance. Then, what would otherwise be his $50 payment is automatically increased by about $13.

Mr. HUNTER. In other words, he gets $163?

Mr. RITCHIE. No, sir; he gets $63.

Mr. HUNTER. In addition to the $100?

Mr. RITCHIE. No, sir. He spends the $100 on the lime and he is only entitled to 50 percent of the cost and that is what is offered him, and except for the small pay increase provision, his payment would be $50, but because of that provision, he gets $63, by the automatic increase in size of payments.

Mr. TABER. How much, overall, does this extra payment run to?

Mr. WILLIAMS. In 1953, Mr. Taber, it is estimated it will require $26 million. However, the proposal that we have made for the $140 million level program does not include a provision for the small payment increase. We are recommending to the committee that consideration be given to modifying the language of the appropriations act, as indicated in our submittal. If the small payment increases were to be included, the $140 million item would have to be increased, for that reason, by at least $11 million.

Mr. HUNTER. Your budget figure then is contingent upon that being adjusted?

Mr. WILLIAMS. That is correct.

Mr. LAIRD. Mr. Chairman, I would like to just state that I have noted Mr. Hunter's explanation of his position so far as making a cut in the budget is concerned. I go along with the proposition that I think it is necessary and very important that we balance the budget. I ran for Congress, and was elected on a pledge that I would do everything possible to end deficit financing. I note that there are a great many members who seem to feel that we ought to reduce taxes before balancing the budget. This could possibly further complicate the problem of balancing the budget in this next fiscal year. I do not happen to be one of those members. I take the view that we have to consider the necessity of making cuts wherever they can be made, whether they are in the agricultural budget or in any other section of the budget.

Mr. HUNTER. I agree with Mr. Laird on that point. My position is not confined to the budget for the Department of Agriculture. The budgetary problem cuts across the entire field of Government operations.

Mr. LAIRD. I do feel that all of the various subcommittees should try to work out with the administration and the various Cabinet members a program of cutting down the budget wherever it is possible to make a cut. We cannot be in the position here of trying to cut somebody else. I do not think that is the way we can operate in

trying to balance the budget; we will never get a balanced budget that way.

Mr. ANDERSEN. I want to add that this subcommittee is in good position, in that it is the only subcommittee over the years that has not appropriated more each year. The appropriation for 1940 as compared with 1952 indicates that we have appropriated 30 percent less money in 1952 than in 1940.

All of the other departments of Government have increased, as Mr. Taber knows, anywhere from 150 percent up to 1300 percent. It appears to me that through the good work of men like Judge Tarver, former chairman of this subcommittee, former Chairman Dirksen of Illinois, and former Chairman Jamie Whitten of Mississippi, that we are now in the position where it might hurt our farm program because such cuts have been made in the past. And I am speaking out of an experience of some 15 years in the Congress.

Mr. LAIRD. I am not speaking now with regard to this particular subcommittee. I am talking about an overall problem that faces every Member of Congress, and I certainly think, whether the individual happens to be located on the farm, or whether he happens to be located in the city, there is a sincere desire to see the Federal budget balanced.

Mr. ANDERSEN. You are absolutely right.

Mr. LAIRD. I know that is true, not only through the Middle West, but throughout the country as a whole; people are getting sick and tired of building up a huge debt to be passed on to our grandchildren instead of making some effort to bring this huge debt down. They want this ever-increasing debt stopped. I think that is something we are all faced with.

QUESTION AS TO ENCOURAGEMENT FOR EXPENDITURES AT COUNTY AND STATE LEVELS

Now, as far as this particular section of the budget goes, which deals with the ACP payments, I have one or two rather general questions: I have heard it said sometimes by people back in my State, that if they do not go along and spend the amount of money that was allocated to them, that they would lose it, and that they have been encouraged by the United States Department of Agriculture to spend every dollar that was allocated to them, regardless of whether there was an absolute need or not.

Has that philosophy prevailed here, so far as the payments are concerned, Mr. Williams?

Mr. WILLIAMS. I do not believe that it has, except in very isolated instances. I assume that you are talking about the county level, or the State level, in the participation of expenditures.

Mr. LAIRD. Yes.

Mr. WILLIAMS. I do feel that the very fact that there is an indicated item of over $13 million under earnings in 1951, indicates that in general there has been no effort made to try to shove the money out. I would not deny the fact, however, that there may have been instances such as you refer to. Whether that has happened or not, I do not know, but I do not have any indication of it.

Mr. HUNTER. I would like to repeat an example I gave yesterday, which occurred in the State of California, where the State committee allocated certain amounts of money for the program to the

Fresno County committee. That committee being economically minded, returned a certain amount of the money to the State, thinking that it would represent a true saving. But the State committee turned around and gave that money to other counties, although, so far as the requirements of those counties were concerned, there was no more reason for it than in Fresno County.

The attitude now of the committeemen, as I understand it, is why try to save if the State committee is simply going to spend the money somewhere else?

Now, is there any plan for rewarding such virtue, if I may call it that. For example, have the money returned to the Treasury, rather than redistributed?

Mr. WILLIAMS. Mr. Hunter, we believe that the type of program projected, as indicated in my general statement here, will make it possible to overcome that situation, which perhaps has been observed at least in isolated cases.

We think that with the practice approval, rather than the farm allowances, and with the specific guaranteed amount by the committee to the farmer in carrying out his practices, rather than a factoring process and the use of minimum and maximum sorts of practice approvals, that the records can be more accurately reflected and essentially there would be little or no need for later year redistribution of amounts unearned by counties.

I would like to have Mr. Ritchie's comment on that.

Mr. RITCHIE. There is one type of situation where it might be advisable that redistribution be made to the county. The State and county decides on how much the several counties will be able to initiate and carry on a forward program. There are areas where it has been difficult to develop a very tight program. Where they have worked hard to get a program lined up, such help will enable the farmers in that area, who will be able to make use of the assistance available in that county. There may be more farmers who would be willing to carry on additional work, but have had their request denied for additional contribution funds because the money in the fund was not sufficient.

And under those conditions there appears to be some desirability of permitting those to have some of the unused money to purchase additional conservation—not to go back and get more money than would otherwise be available—but to use the money available to buy conservation over and above what could have been accomplished under the original fund.

Mr. LAIRD. The $114 million is left after the administrative expense has been deducted. That is for straight payment for the program?

Mr. WILLIAMS. Yes. That is the estimate of the net assistance available to farmers, either available for conservation materials and services, or cash payments, or the sum of the two.

NEED FOR PERMANENT PRACTICES ON AGRICULTURAL LANDS

Mr. LAIRD. Do you have any estimate of what the actual need is in the way of permanent practices on agricultural lands?

Mr. WILLIAMS. I suppose estimates have been made, and we also have the indication of the request for such assistance in the 1953 signup program. We will not know what the final figures will be until the end of the year.

Mr. LAIRD. In figuring the request for funds, actually you project it over what should be done over a period of 4 or 5 years?

Mr. WILLIAMS. That is essentially correct.

Mr. LAIRD. Could you supply those figures?

Mr. WILLIAMS. I believe we can.

Mr. LAIRD. I think it would be interesting to have these figures in the record, Mr. Chairman, as to the actual requests for the permanent type of practices and the projected figures as to actually what should be done in keeping up the program of conservation of the soil for the future generation and for the economy of the country.

Mr. ANDERSON. Will you see that they are put in the record?

Mr. WILLIAMS. Yes. We do not have the figures available now.

Mr. LAIRD. I represent a district whose economy is based upon agriculture. I know that the first and one concern is the overall condition of our country, and the future of our country, because if it is destroyed by a program of Federal deficit spending, that destroys our whole economy, not only for the present, but for the children of the future.

At the same time they look about them and they see other things that are going on in government over which this committee has no control, such as the various subsidies that have grown up over the years to railroads, trucks, and airplanes. I could supply a long list of others. Our subcommittee is concerned with trying to get a dollar's worth of service for every dollar that the Federal Government receives from the taxpayers, and we have to look at this agricultural budget with a critical eye. That is the way I understand it, Mr. Chairman.

Mr. ANDERSEN. You are absolutely right. But at the same time we have to keep in mind that it is our job to look after this great division of government.

Mr. LAIRD. Oh, yes, I realize that, Mr. Chairman, but I do feel that whatever figure we arrive at and put in the appropriation bill we must be able to substantiate fully and it can only be done through the information that these people supply.

Mr. ANDERSEN. Yes.

CREDIT VALUE OF CONSERVATION PRACTICES INDICATED AS NEEDED BY FARMERS

Mr. WILLIAMS. I can give you a rough approximation, about what the figure would be for the 1953 signup, but we can supply a more accurate statement for the record.

Mr. LAIRD. Suppose you just insert it in the record.

Mr. WILLIAMS. Yes.

(The statement referred to follows:)

The credit value (extent times the ACP assistance rate) of all of the conservation practices which farmers indicated they would like to undertake in 1953 was a little in excess of $500 million. (The total cost of all of this work, including the farmer's cost and labor and the share borne by the ACP would be over $1 billion, since ACP credit rates represent only a portion of the cost.)

No summary of these requests is available by types of practices, but based on the kinds of practices approved by local committees, it is believed that approximately $300 million in ACP payments would be required to match the farmers' cost of the permanent-type practices which they indicated they would like to undertake in 1953.

It should be recognized that the requests are for work that farmers desire to accomplish, and do not represent a determination that all of it can be done in 1953.

Mr. WHITTEN. Mr. Williams, I read your statement with a great deal of interest, and may I say that my position on these matters is fairly well known, at least among those with whom I have worked for a long while. I do not take a back seat to anybody in my efforts to have economy in Government, and I want to join in the statement that we need to balance the budget.

But I cannot help but say that I have never felt that a desire to see that proper attention was paid to the land and to the natural resources was inconsistent with economy in Government. Proper attention paid to our resources will not mean an unbalanced budget. The real wealth of our country is the land, the trees, the know-how, and railroads and industry; that is what our real wealth is.

I believe in balancing the budget, but it should be balanced where it became unbalanced. The Department of Agriculture has 30 percent less than in 1940, whereas the other departments have increased an average of 350 percent.

EXTENT TO WHICH TILLABLE SOIL HAS BEEN EXHAUSTED

Now, are you familiar with the statement that has been repeatedly made by Dr. Bennett, Dr. Shaw, and Mr. Wells of the Bureau of Agricultural Economics, and others ,to the effect that in this country we have already exhausted approximately 40 percent of our tillable land; are you aware of that fact?

Mr. WILLIAMS. Yes.

Mr. WHITTEN. Are you also aware of the fact that by 1975 we will need 115 million more acres of land if we do not lose any?

Mr. WILLIAMS. I believe there have been various estimates made, and that certainly is one.

Mr. WHITTEN. Do you know of any better source of information than the heads of the Agricultural Research Administration, the Bureau of Agricultural Economics and the Soil Conservation Service? Do you know of any place where you could get better qualified men to make an estimate?

Mr. WILLIAMS. So far as I am concerned, their estimate would be——

Mr. WHITTEN. About as good as you could get?

Mr. WILLIAMS. Yes.

Mr. WHITTEN. It is an estimate that I am trying to use.

FARM AND NATIONAL INCOME

I would like to have you put in the record at this point the comparative share of national income in dollars that agriculture has gotten for the last 10 years

Mr. WILLIAMS. Yes.

(The information requested follows:)

Farm and national income

Year	Net income to all persons on farms from farming	Total net income to persons on farms [1]	National income	Net income to persons on farms from farming as percent of national income	Total net income to persons on farms as percent of national income
	Million dollars	*Million dollars*	*Million dollars*	*Percent*	*Percent*
1940	5,299	7,999	78,067	6.8	10.2
1941	7,390	10,490	94,961	7.8	11.0
1942	11,167	14,967	123,171	9.1	12.2
1943	12,800	17,000	151,237	8.5	11.2
1944	13,079	17,479	163,821	8.0	10.7
1945	13,441	17,641	163,536	8.2	10.8
1946	15,736	20,036	167,440	9.4	12.0
1947	16,467	21,367	183,539	9.0	11.6
1948	18,871	23,971	206,936	9.1	11.6
1949	14,719	19,919	202,808	7.3	9.8
1950 [2]	15,171	20,471	218,212	7.0	9.4
1951 [2]	17,693	23,293	249,428	7.1	9.3
1952 [2]	16,735	22,935	265,223	6.4	8.7

[1] Includes income from nonfarm sources.
[2] Preliminary.

RESPONSIBILITY FOR SAVING AND RESTORING THE SOIL

Mr. WHITTEN. Now, during the past 140 years the farmer was the only one asked to plow back a share of his income into the land. Do you think that necessarily should be true? Don't you feel that the Federal Government and all of us together might well apply a little of what we make in looking after the very means of our existence?

Mr. WILLIAMS. I feel very definitely there is a public responsibility, not only of the local, but of the State and Federal Governments, to assist in this work.

Mr. WHITTEN. When we have lost 40 percent of our tillable land, and are going to need another hundred million more acres by 1975, do you not think that we, collectively, ought to do something about sharing the responsibility of saving and restoring the soil?

Mr. WILLIAMS. Certainly I feel that way, Mr. Whitten; I feel that the Government must help share the responsibility.

Mr. WHITTEN. I would like at this point in the record a statement showing the amount of money that we have paid out on foreign-aid programs in the last 10 years. I think that can be found without too much difficulty.

Mr. ANDERSEN. Without objection, that will be made a part of the record.

(The information requested follows:)

Summary of foreign aid (grants and credits)—by program: Postwar period, July 1, 1945, through Dec. 31, 1952 (before and after Korean invasion, June 25, 1950), and war period, July 1, 1940, through June 30, 1945

[In millions of dollars]

	War and postwar periods	Postwar period			War period
		Total	After Korean invasion	Before Korean invasion	
Gross foreign aid [1]	90, 257	41, 034	12, 875	28, 159	49, 223
Grants utilized	78, 375	30, 247	11, 423	18, 824	48, 128
Less: Credit-agreement offsets to grants	1, 256	1, 256	.....	1, 256	.....
Credits utilized	13, 139	12, 044	1, 452	10, 591	1, 096
Less returns	11, 684	3, 422	1, 243	2, 178	8, 262
Reverse grants and returns on grants	9, 112	1, 230	356	874	7, 882
Principal collected on credits	2, 572	2, 191	887	1, 304	380
Equals net foreign aid	78, 573	37, 612	11, 631	25, 981	40, 961
Net grants	68, 006	27, 760	11, 067	16, 693	40, 246
Net credits	10, 567	9, 852	565	9, 287	715
Grants utilized	78, 375	30, 247	11, 423	18, 824	48, 128
Lend-lease	48, 660	1, 932	.....	1, 932	46, 728
Mutual security:					
Economic and technical assistance	12, 711	12, 711	5, 707	7, 004	.....
Military aid [2]	4, 687	4, 687	4, 624	63	.....
Civilian supplies	6, 153	5, 340	776	4, 564	813
UNRRA, post-UNRRA, and interim aid	3, 526	3, 443	.....	3, 443	83
Philippine rehabilitation	634	634	115	519	.....
Greek-Turkish aid	659	659	23	636	.....
Chinese stabilization and military aid	623	243	5	238	380
Other	721	597	171	426	124
Reverse grants and returns on grants	9, 112	1, 230	356	874	7, 882
Reverse lend-lease	7, 961	133	.....	133	7, 828
Return of lend-lease ships	393	370	83	287	23
War-account cash settlements	151	120	.....	120	32
Counterpart funds:					
Economic and technical assistance	591	591	258	333	.....
Military aid	16	16	15	1	.....
Credits utilized	13, 139	12, 044	1, 452	10, 591	1, 096
British loan	3, 750	3, 750	.....	3, 750	.....
Export-Import Bank (for own account, including agent banks)	3, 744	3, 415	763	2, 651	329
Surplus property (including merchant ships)	1, 487	1, 487	2	1, 484	.....
Credit-agreement offsets to grants	1, 256	1, 256	.....	1, 256	.....
Lend-lease (excluding settlement credits)	419	71	2	69	349
Mutual security (including loans to Spain and India)	1, 608	1, 608	617	990	.....
Other	875	458	67	390	417
Principal collected on credits	2, 572	2, 191	887	1, 304	380
British loan	90	90	90	.....	.....
Export-Import Bank (for own account—including agent banks)	1, 339	1, 125	493	632	214
Surplus property (including merchant ships)	276	276	153	123	.....
Credit-agreement offsets to grants	62	62	40	22	.....
Lend-lease (excluding settlement credits)	86	40	19	21	46
Other [3]	720	600	93	507	120

[1] Foreign aid is defined to comprise two categories—grants and credits. Grants are largely outright gifts for which no payment is expected, or which at most involve an obligation on the part of the receiver to extend aid to the United States or other countries to achieve a common objective. Credits are loans or other agreements which give rise to specific obligations to repay, over a period of years, usually with interest. In some instances assistance has been given with the understanding that a decision as to repayment will be made at a later date; such assistance is included in grants. At such time as an agreement is reached for repayment over a period of years, a credit is established. Because such credits, cannot, as a rule, be deducted from specific grants recorded in previous periods, they are included in both grants (at the earlier period) and credits (at the time of the agreement), and the amounts of such credit-agreement offsets to grants are deducted from the total grants and credits in arriving at gross foreign aid. All known returns to the United States Government stemming from grants and credits are taken into account in net foreign aid. Gross foreign aid less the returns is net foreign aid, which is shown as net grants and net credits. The measure of foreign aid generally is in terms of goods delivered or shipped by the United States Government, services rendered by the United States Government, or cash disbursed by the United States Government to or for the account of a foreign government or other foreign entity. The Government's capital investments in the International Bank ($635 million) and International Monetary Fund ($2,750 million) are not included in gross foreign aid although they constitute an additional measure taken by this Government to promote foreign economic recovery. Payments to these international financial institutions do not result in immediate equivalent aid to foreign countries. Use of available dollar funds is largely determined by the managements of the two institutions, subject to certain restraints which can be exercised by the United States Government.

Further definition and explanation of these data are contained in the Foreign Aid supplement to the Survey of Current Business, published November 1952.

[2] Includes contributions to multilateral construction program of the North Atlantic Treaty Organization.

[3] Includes less than $1 million collections on mutual-security program credits.

Source: Table I of U. S. Department of Commerce publication Foreign Aid issued March 1953.

Mr. WHITTEN. Do you realize that the bills we have passed in support of foreign nations have resulted in their applying over $100 million to the very same kind of conservation programs, and that we are paying the bills for those programs? Italy alone during the last 2 or 3 years has paid out more money on reforestation than we have here in the United States.

Now, I believe in balancing the budget and looking after future generations. I am just trying to find the proper point where it should be balanced. I do not believe it ought to be done at the expense of our own land and our natural resources.

Mr. ANDERSEN. What we are doing, Mr. Whitten, is to try to determine how much we are going to spend and how little we are now spending in the conservation of our natural resources.

Mr. WHITTEN. Thank you, Mr. Chairman. I know, and certainly all of the Members of Congress know, that you have always stood for a proper program for American agriculture. And I am proud to state it on the record.

Now, in connection with our efforts on soil conservation, is it your idea that we are doing so to help the farmer, or is it to help bring about soil-conservation practices on the land? It is the land, is it not, rather than just the farmer?

Mr. WILLIAMS. That is correct; it is the land. However, the people must be taken into account who live on the land.

Mr. WHITTEN. Of course that is true; you have got to work through the people who are on the land. But the purpose is not just to help the farmer, but the real purpose is to conserve the soil. Do you not believe that we should share in the effort to conserve the soil?

Mr. WILLIAMS. Certainly conservation is needed, and it should be one of the major and guiding principles back of our own program.

Mr. WHITTEN. And in reference to what my colleague from California has said about giving other counties money where they do not need it, and where other counties are willing to use it, from counties that do not have the need or will to use it——

Mr. HUNTER. Will the gentleman yield?

Mr. WHITTEN. Yes.

Mr. HUNTER. The fact is that they do need to use it, but are willing to pay for it themselves.

Mr. WHITTEN. I think that is commendable and they should be commended.

PERMANENT AND SEMIPERMANENT PROGRAMS

Mr. WHITTEN. How many permanent or semipermanent programs are there in the national catalog?

Mr. WILLIAMS. There is a total of approximately 90—in the 1953 national bulletin. In the guides that went out—I believe they have cut out quite a number, and it has been reduced by approximately 35.

Mr. WHITTEN. Whether it is in the county in Mr. Hunter's State, or a county in my State, those who select fertilizer do so because the selection is made in that area through the State committee or the local committee. In other words, the local committee makes the selection for that area.

Mr. WILLIAMS. Yes.

Mr. WHITTEN. And they make up the program on which they pay out the money, and the practices actually have to be approved by the local group.

Mr. WILLIAMS. That is correct, within the State.

Mr. WHITTEN. And they must follow the practices that have been recommended. Now you have a number of permanent and semi-permanent practices.

Mr. WILLIAMS. Yes.

Mr. WHITTEN. And there have been several permanent and semi-permanent programs recommended. I would like to know what has been done with them. Last year this committee urged and made provision for going around and getting land in the program that ought to be in it, instead of having a PMA man sit in an office, cafeteria style, and work with only those who come into the office. And as a result of that, from your own statement, Mr. Williams, the number choosing to sign up for these practices on a voluntary basis is 25 percent higher than in previous years.

And your statement shows that 10 percent more are in the permanent type of conservation measures as a result of such efforts.

DISCUSSION OF ADEQUACY OF BUDGET REQUEST

Now, in view of that fact, do you think this is a good time to cut down on the availability of funds that are being used in soil conservation work?

Mr. WILLIAMS. I will agree, Mr. Whitten, that it indicates an interest by signing up to get a thoroughly good conservation job done, and it indicates a need and strong effort on the part of everyone—the farmers, as well as the local public agencies, and everyone else—to participate in the program.

Mr. WHITTEN. To show you, Mr. Williams, that you recognize the point I am making, on page 9 of your statement, you say:

> The requests for assistance for each farm and by each farmer should be weighed in relation to those from all farms and all farmers within the administrative area. The local administrative group must ultimately make judgment decisions on the wisest investment of the limited fund for the demand may be 3 or 4 times the amount available.

That is an admission that it might be 3 or 4 times the $140 million from the indications in your Department, and you are asking that the local administrative groups be kept so they can judge what to do.

Now, do you not think that this change is going to lead to the end of any joint effort through the Government to try to contribute a little bit toward the land when they go out to everyone and say that, instead of reimbursing them $3 on the cost of soil conservation work, it will be cut down to $1?

Is that the general purpose of it? Is that the purpose, by signing up so many people in the program that they are going to have to tell some that "we cannot pay you what we thought we could; we cannot pay our share of this whole program of conservation or our share of the contribution to the costs"? There are many sections of the country, I know, in the Southeast, where a number of people have regarded this program as one where the man on the land puts in his labor and his part of the work and the Federal Government contributes its share of the cost for carrying on a program on the land. That is the way I conceive it, and that is the way I believe it is.

Now, here you are going to have to abrogate a commitment to the man who has been led to believe that if he would put in his part of the cost, the Government would pay its share. How long do you think that can continue; how many times do you think that is going to happen before these men become disgusted and quit?

And you admit in your statement here that the reason you need these local administrative groups is to help decide that matter.

Mr. WILLIAMS. Mr. Whitten, the indication for 1953, which as you know is merely an estimate up to this time, indicates that the total assistance that was requested and given tentative approval by the county committees, exceeded $500 million in total. Of that amount, the permanent-practice share, we estimate, is probably somewhere around $300 million—we do not have the exact figures—that is the credit value of the practices that are requested.

With the funds available this year 1953, even with the $250 million authorized, it appears that approximately 33 percent, with the credit rate, can be met with that type of program this year, so that it is a problem of meeting all of the requests of the farmers.

Mr. WHITTEN. I realize when you signed up the farmers, you reserved the right to come in and scale down the total amount they were going to get. But there has been a great increase in the number, so that you will be able to give them only one-half or one-third of what everybody thought the Government would contribute. Just how long will that kind of a program last; do you not think it will result in destroying the program itself?

Mr. WILLIAMS. I suspect that is a good question, Mr. Whitten, and certainly I feel that there is a need of redoubling the efforts in terms of getting the conservation job done, with financial assistance, and maybe some of it can be done without it.

Mr. WHITTEN. I have been in this soil conservation fight ever since I have been on this committee, and I have seen some of the difficulties we faced with the soil conservation program and the ACP program. And I can fully appreciate the efforts of you gentlemen in trying to get a semipermanent and permanent program with benefits from the dollars that we spend.

And I appreciate there are a number of bad practices that are carried on by farmers in certain areas that tend to exhaust the land, and I can see readily how that can happen.

I do hope that this program is not being done under the guise of defeating the Federal soil conservation program.

I am one of those who has been through an almost annual fight up here, together with Mr. Andersen, trying to get sufficient amounts to carry on the program, against those who just do not believe in what is being done. Of course they are entitled to their views.

But I think it is a fair question to ask you and your folks to say what you did on this program.

Mr. COKE. There is no question of the part of the Department as to its interest and desire to do everything we can. Certainly, the conservation of the resources that are within the jurisdiction of the Department of Agriculture is a matter of great concern to us. We are not in any way attempting to diminish the work. We hope that we can get more effective programs carried on by whatever means we can. And may I go one step further?

Mr. WHITTEN. Certainly.

Mr. COKE. Insofar as the level of this appropriation in this 1954 request and the suggested authorization is concerned, it is our feeling that the real conservation part of the program is in the permanent practices, and I think some other people have already indicated that this does represent some increase in that over the last time, but this is no indication on the part of the Department of Agriculture of any decreased interest in it at all. We do feel that we have a substantial program.

Mr. WHITTEN. I am glad to hear you say that. This thing goes far beyond politics with me. In studying this subject we find that after some 375 years we have realized that our system has not been the best, and we might admit on the basis of past history, that those who are on the land have not given proper attention to the conservation of the soil. Maybe that has been true throughout our history in the past. I would like to ask you, if, in your efforts to handle this program, do you not think an effort should be made to get the practices on the land that needs it more than some of the other farms, where perhaps they are in better position to carry on the practices?

Now, I would like to ask you this question: Based on the program of semipermanent and permanent type of practices alone, assuming that the farmers would participate to a much larger extent than this $140 million, is it your belief that this is about the limit that should be set, so far as soil conservation is concerned, assuming that this committee would urge, the appropriation of a large sum?

In other words, do you think this is about the maximum that the Government should contribute to meet this very serious problem? Do you think this is about as much as we ought to have under the circumstances and that we ought to look at this as the amount of the Federal contribution? Or do you think it should be increased in order to give an opportunity to do a much larger job of restoration and soil conservation work if needed?

Mr. COKE. The level of this program——

Mr. WHITTEN (interposing). This year is fixed, but I am wondering about the years ahead. Do you think this is a sufficient amount for this program?

Mr. COKE. I would like to answer the question in this way: That so far as I am concerned we would develop any kind of a program that would improve on the conservation of our natural resources in this country. Now, whether this or some other program will do it, I think time only will tell.

Mr. WHITTEN. I am not trying to weigh this program against any other kind of program. I am trying to find out whether you think this $140 million represents what you think we can afford for this program, whether you think it is the maximum that you would favor in Federal contributions toward the soil conservation program?

Mr. COKE. We have not developed the $140 million as a ceiling for this program.

Mr. WHITTEN. If we were to try in this subcommittee to provide for more funds next year, and we should succeed in exceeding the $140 million by an additional $100 million—assuming it could be used on a firm program of soil conservation work—would you consider it desirable?

Mr. COKE. I think that is for the Congress to say.

Mr. WHITTEN. It would be your purpose to carry out whatever Congress decides?

Mr. COKE. Exactly.

Mr. WHITTEN. With respect to the small-payment provision, you did not go in for any funds there. That title is a misnomer. All that provides, Mr. Williams, is that the Federal Government will pay a certain minimum as its share of the costs. It is not a case of giving the farmer $100 worth of lime or other materials and then paying so much. You either contribute a share of the cost of materials or make a contribution toward the cost of that which goes into the land. In no case do you contribute more than 50 percent of the total cost, do you?

Mr. WILLIAMS. I believe the way it operates, Mr. Whitten, is that there is an amount held in reserve based on the estimated number of participants with an estimated degree of participation of less than $200. There is an amount held in reserve for subsequent distribution to those participants who have actually earned less than $200, so that it does not apply specifically to the practices that they accomplish but rather to a farm because of the size of earnings.

Mr. WHITTEN. But to have earned that $200 or less, he must have put that much into soil practices on the land. Contrary to the argument which is frequently made on the floor of the House, this is not a payment to a man to stick in his pocket. It is a contribution as a part of what he has actually put back into the land, is that not true? What do you conceive this program to be?

Mr. WILLIAMS. I think that is essentially correct.

Mr. WHITTEN. If it is not we had better stop it.

Mr. WILLIAMS. That is right. I think it is participation in a cost sharing arrangement.

Mr. WHITTEN. Whereby the Federal Government contributes toward the cost of practices performed on land.

Mr. WILLIAMS. It participates.

Mr. WHITTEN. I should like to repeat in the record again that the catalog of practices from which these local practices are selected has many permanent and semipermanent practices in it. If any community in the country is using annual practices, it is because the local community has selected those practices. That is true, is it not?

Mr. WILLIAMS. I believe that is correct; yes.

Mr. WHITTEN. That is all, Mr. Chairman.

Mr. HUNTER. I did not want my friend from Mississippi to leave the impression that the county of which I was speaking, Fresno County, was a primitive, backward area which was not engaging in these conservation practices. As a matter of fact, the farmers of the county do engage in most all of these proved practices, as evidenced by the fact that production is as high as it is. The value of its agricultural products is the highest in the United States.

Mr. WHITTEN. I am well aware that you do have one of the outstanding counties of the Nation, and I want to say that they are well represented in Congress, too. I did not have reference to that.

If this is, as I conceive it, a program of trying to bring about needed soil-conservation practices, we ought to try to spend the money to get as much land redeemed, restored, and saved as we can. We can all argue about how to do it.

Mr. HUNTER. There is no argument about that objective. I think that the Secretary, as well as Assistant Secretary Coke, very sincerely desires that we not only encourage but increase the participation by one means or another in these various soil-conservation practices, to the end that we conserve the soil of our country. But there are, as is evidenced by the testimony, a number of ways of doing it. Contributions for participation is one way, but it is not the only answer. The fact that the applications far exceed the amount of money available is not evidence by itself that the budgeted amount is too small. One reason you have that situation is that most of these practices have been proved, they are recognized by the farmers, and they are going to engage in them anyhow. If they have the opportunity to have the Federal Government pay for all or part, they are certainly not going to pass it up.

I think in the past, as you have pointed out, we have lost about 40 percent of the value of the fertility of our soil through lack of proper soil-conservation practices.

Mr. WHITTEN. That is part of the record.

Mr. HUNTER. There is no question about that. I do not think, however, that by a reduction in ACP payments for annual recurring practices we are going to see any serious drop in such practices. True, if these contributions are reduced, some people are not going to participate as fully. However, I do not think that contributions are the only answer to the problem of soil conservation.

Mr. WHITTEN. I agree with you thoroughly, but here is the danger in this kind of thing: There are many sections of this country where, due to good management, fine climate, fine texture of soil, closeness to markets, good income, and various other factors, they have relatively little need for any additional soil-conservation practices which they do not carry out themselves. But to have a law passed through the Congress and to get an appropriation through the Congress, this program must have general application, so that those counties such as yours, Mr. Hunter, will get a share. If you do not, they will have no interest, and you will soon find that the Member of Congress from that section has no interest in it. Then you have too few votes to pass either the authorization or the appropriation for the national program, even though we as a nation have an interest in the soil fertility and our ability to produce food in every section of the United States.

If we were to write into this bill that it applied only to the needy or worn-out sections of the United States, you could not get enough votes in the Congress to pass it, judging from my experience in the past. Of course, when it has broad application, then it is allocated to sections which do not have any special need for it on a comparative basis. But I do not know any other way to get around that.

Mr. MARSHALL. Mr. Chairman, I should like to make a comment before asking my questions. To simplify this particular problem, which we have facing us, on the matter of soil conservation, we might have three alternatives. One of them is to pay no attention whatsoever to our soil-conservation needs and to let our country bankrupt itself by impoverishing its soil. This unfortunately has been done in a number of countries of the world. Another alternative would be to do what some of the older countries of the world have done, put into effect a regimentation system which would require that people

who operate their land do things to maintain the fertility of that soil. That is practiced in some of the older countries of the world, where they have found it necessary to maintain their fertility. The other alternative, and the one we are working toward, is one of cooperation between the citizens of the country and the people who till the soil, which to me is the most American and most democratic way of approaching it.

As Mr. Hunter has brought out, I do not think we ought to get to the point of believing that our programs are staid, that we do not need to change those programs, and that we ought to close the door to finding alternatives to do this work.

WINTER COVER CROPS

I am also of the opinion, from listening to the discussions this afternoon, that the sentiment of this committee leans very strongly toward the so-called permanent practices. We talk in terms of permanent practices and forget about soil conservation. There is a good section of this country where they have been using to extremely good advantage a crop known as a winter cover crop, which is an annual recurring practice; is it not?

Mr. WILLIAMS. It is usually considered as that.

Mr. MARSHALL. Yet to a State such as Goergia, in the protection of soil through the winter, it is one of the most acceptable practices for those people which can possibly be devised. If we think in terms of a program, and fitting and adapting it to local needs and conserving soil, we could easily eliminate these things without doing something to cure the needs of conserving soil in some areas.

In connection with a winter cover crop and with the expense of planting that crop, if the incentives for doing that are taken away, farmers will curtail this important conservation practice. The farmer who carries on that practice gets very little immediate financial return. It is a long-time proposition on conserving soil; is it not?

Mr. WILLIAMS. It varies in different areas, I believe, as to how long the benefits take to accrue.

Mr. MARSHALL. How much funds were used for winter cover crop practice?

Mr. WILLIAMS. I will have to ask Mr. Hunt to supply that figure. I believe he has the figure for 1951, which is the latest statistic available.

(The information is as follows:)

The 1951 program was the latest program for which reports are available. Under that program about $20 million of ACP assistance was used with respect to winter legumes, ryegrass, and small grains, excluding minerals. These are the principal crops used for winter cover.

ASSISTANCE WITH RESPECT TO MINERALS

Mr. MARSHALL. Assuming that Congress approves a $140 million program for next year, Mr. Williams, what effect would this have on expenditures for conservation materials, such as lime and fertilizer, as compared with the last few years?

Mr. WILLIAMS. Mr. Marshall, we would anticipate the continuation under this sort of program at whatever the dollar level may be.

Assuming the $140 million level, the continuation of the use of advance materials and services will be had. That, of course, will vary in different parts of the country with respect to the types of things needed, but there would be no drawing away from that policy of providing that sort of service insofar as anything that we have projected is concerned. The dollar volume of the need for advancing it will vary, depending upon the total size of the program.

Mr. MARSHALL. Well, if you go into an expenditure of $140 million, obviously you would have to cut the payment which you have been previously making for such uses as lime and fertilizer, would you not?

Mr. WILLIAMS. As I indicated earlier, Mr. Marshall, we are not proposing that lime and fertilizer be eliminated from this program, but rather that they be used where they are needed to assist with the initial establishment of permanent conservation work.

Mr. MARSHALL. In making up these charts which you showed us, on the annual recurring cost, place in the record here how much of that you put into lime and fertilizer.

(The information is as follows:)

Estimated total assistance under the agricultural conservation program with respect to minerals, 1950–54

[In millions of dollars]

Item	1950	1951	1952 estimated	1953 estimated	1954 estimated [1]
Minerals for the establishment of permanent cover for erosion control, and permanent pasture	8	8	8	11	[2] 24
Minerals for green manure and annual cover	29	25	22	19	0
Minerals for hay crops and rotation pasture, and for improving permanent pasture	62	71	61	52	(2)
Total	99	104	91	82	24

[1] Based on the program projected for 1954.

[2] Not strictly comparable to prior years since the proposed 1954 practice of increasing perennial vegetation in the crop rotation system includes necessary minerals.

ESTIMATE OF ANNUAL NEEDS FOR LIME AND FERTILIZER

Mr. MARSHALL. I am quite sure that you have made estimates as to the annual needs of such materials as lime and fertilizer. I am under the impression that quite an extensive survey was made a couple of years ago in that regard. I wonder if you could supply the figures for that survey of the need to maintain the soil.

Mr. WILLIAMS. Yes. We will supply that for the record.

(The information is as follows:)

It is estimated that about 25 million tons of liming materials are needed annually in connection with the establishment of permanent vegetative cover. An additional 56 million tons are needed annually for other agricultural uses, making a total quantity needed annually of about 81 million tons.

The annual amount of phosphate materials needed in connection with the establishment of the total acreage which should be established in permanent vegetative cover is about 2 million tons (basis 20 percent P_2O_5) and the annual amount of potash needed for such uses is about ½ million tons (basis 50 percent K_2O).

These estimates do not include the quantities needed for crop production and for top dressings of existing stands of hay and pasture.

TOTAL COST OF OBTAINING CONSERVATION NEEDED AND DESIRED

Mr. MARSHALL. Could you supply an estimate of the annual cost to farmers of doing the kind of soil conservation job which ought to be done in this country? I am thinking in terms of everything we ought to do, and the cost of doing it.

Mr. WILLIAMS. I think an approximation of that could be supplied, Mr. Marshall. Obviously the estimates of the needed job to be done are not too firm, as you probably understand. They vary from time to time, as new information becomes available and as experience indicates the extent to which the practice is applicable. But to the extent that estimates have been made for conservation needs, an approximation of such a cost could be supplied.

Mr. MARSHALL. The reason I am interested in that is that I have felt for some time that the taxpayers of this country have been under the impression that the money which they have spent in the past is maintaining our soil fertility, and it is not. For that reason I think we ought to try to show just what the total cost to this country would be if we did those things which we really ought to be doing on our farms.

(The information is as follows:)

No accurate appraisal is available in terms of the total cost of obtaining all of the conservation which is needed and desirable. However, estimates have been made of the physical quantities needed of many of the individual conservation measures. Such estimates are used as the basis for distributing ACP funds among States in accordance with the formula contained in the Appropriation Act. For the purpose of this distribution the physical amount of each of the individual conservation measures is converted into a monetary figure (or "credit value") based on the rate of assistance authorized under the agricultural conservation program. This "credit value" represents the amount which would be required to provide ACP assistance on a quantity of the measure equal to the annual increment needed. A summation of such "credit values" of the conservation needs for the list of conservation practices included in the 1953 program amounts to about $1½ billion on an annual basis.

The ACP rate of assistance generally represents about one-half of the out-of-pocket cost of carrying out the conservation measure and probably about one-third of the total cost, including an allowance for the farmer's labor. Thus the cost on a cash basis of carrying out conservation measures is about twice the amount of ACP "credit value," and the total cost, including the farmer's labor, is about three times the ACP "credit value."

Mr. MARSHALL. Now, Mr. Coke, in your statement on page 2 you say:

The PMA State, county, and community committeemen continue to have policy and program execution responsibility at their respective levels. There is no plan at this time for changing this arrangement.

What do you mean by "at this time"? Do you mean here today, and that you will change it tomorrow?

Mr. COKE. No. The next sentence would explain that. The program for 1954 proposed has been projected on this same basis. That is as far as our plans have gone.

Mr. MARSHALL. You expect to carry this program through 1954.

Mr. COKE. That is right.

Mr. MARSHALL. And you will be making plans in the future.

Mr. COKE. Yes.

Mr. MARSHALL. There has been some talk of establishing a Government guarantee to farmers for carrying on conservation practices.

I believe we have some bills which have been presented to this Congress. Do you have any comment you would care to make on that.

Mr. COKE. I am afraid I am not familiar with it.

Mr. MARSHALL. There keeps continually cropping up statements and rumors that it is the intention of the Department to set up the agricultural conservation program on a grant-of-aid to States basis. Do you have such a proposal in mind?

Mr. COKE. We have no plans for that.

Mr. MARSHALL. Has that proposal been discussed to any extent?

Mr. COKE. No.

Mr. MARSHALL. What causes this rumor to keep continually cropping up?

Mr. COKE. I wish you could tell me. So far as the Department discussions on that are concerned, we have not actually had the opportunity to think beyond 1954 with this program as we have outlined here. So we have no plans whatsoever at this time. We have not developed plans beyond that.

NEED FOR GREATER PARTICIPATION

Mr. WHITTEN. There are 2 or 3 other things here which convince me that you folks handling this program certainly can render a great service to your country by pushing everywhere you can to get participation.

In view of the great shortage of labor on the farm, it is easy for the farmer to pass up certain work which can be passed up. We have declining farm prices, which makes it mighty easy to pass up things.

I talked about a month ago to a man who has knowledge of about half the fertilizer industry. At that time he stated that by March of last year the fertilizer industry, from manufacturer all the way through, had sold 40 percent of the year's sales. At the same time this year they had sold only 8 percent.

In my section of the country cotton is off $40 a bale. This seriously enters into how much money the farmer has.

So to say that we have learned our lesson in the use of fertilizers will not apply when prices fall. It is my view that we have had a free market for agriculture through the years. And much of this declining of soil, from my observation in at least 3 or 4 States as a youngster growing up, comes from the fact that the average farmer did not have enough, after he paid his taxes and did reasonably well by his family, to keep his house painted and to keep his farm improved. Of course there are exceptions. Those who are close to the city markets, or those farmers with exceptional ability, or those farmers who might have had a little extra capital, are the exceptions.

Only today I had a report which showed that out of 1 million boys returned from military service in the Korean war, only 76,000 had returned to the farm. The survey showed that the farmers of this Nation are on an average about 10 years older than only a short time ago.

This thing of giving proper attention to our very means of existence is a big problem. Certainly we are not complaining about your efforts to get more real conservation work done. We have also been striving in that direction.

Apparently some folks want to cut out all of this program. I am glad you identify yourselves as being deeply interested in the work which you are doing.

Mr. MARSHALL. Would you yield to me at this point?

Mr. WHITTEN. Yes.

Mr. MARSHALL. I think one of the greatest problems all of us have in dealing with soil conservation is the fact that a lot of the people have looked upon some of these payments which have been made as relief measures. They certainly are not in any sense of the word. Another thing which ties right in with that is that people have been much inclined to say that it is the responsibility of the farmer, when it is actually the responsibility of every citizen of this country. Whether a man lives in the city or on the farm, his whole livelihood is tied up with what he can get for subsistence from this topsoil.

Mr. WHITTEN. I think that is a very worthwhile statement.

REDUCTION OF FUNDS FOR ACCELERATION OF FLOOD PREVENTION

I would like for you to explain in the record the reduction of funds for acceleration of flood prevention. I would like for the record to show where those areas are and the reason why you should not go ahead with the speedup of PMA measures in those sections, notwithstanding the differences which may exist between the Soil Conservation Service and the Defense Department as to the type of structures to be built.

Mr. WILLIAMS. Might I say, Mr. Whitten, that that item does not refer to the 11 authorized watersheds of the country.

Mr. WHITTEN. It does not.

Mr. WILLIAMS. No.

Mr. WHITTEN. To what does that apply?

Mr. WILLIAMS. It was related to a proposal for seven additional watersheds not yet authorized. The funds were indicated in the previous budget in anticipation of an authorization for those seven watersheds.

Mr. WHITTEN. I think it was developed earlier that there is authority to proceed with land treatment measures on those watersheds. Apparently, all work is being held up because of differences between SCS and the Corps of Engineers. But certainly land treatment measures carried on by PMA and SCS can go ahead, notwithstanding the fact that the other things have not been settled.

(The information is as follows:)

The original budget submission for fiscal year 1954 contained an estimate of $2,436,000 for accelerating the installation of practices in aid of flood prevention in seven additional watersheds. Survey reports prepared under authority of the flood control acts for these watersheds are pending action by the Congress but have not as yet been approved. Therefore the revised budget recommends that the item be deleted from the revised budget. This item is not in any way related to work in the 11 watersheds previously authorized under authority of the flood control acts for operations. In the latter watersheds there will be expended under the 1953 ACP an amount estimated in excess of $4 million for practices in aid of flood prevention.

ESTIMATED PORTION OF COST OF CARRYING OUT CONSERVATION MEASURES REPRESENTED BY ACP ASSISTANCE

Mr. MARSHALL. Mr. Chairman, one other point came up. I believe in previous years, in connection with the soil conservation payments, there has been a table inserted which has showed the cost which the farmer actually has put in as compared to the part the Federal Government has put in. Has that been asked for?

Mr. ANDERSEN. I don't believe it has. We will include that information in the record at this point.

(The information is as follows.)

Estimated portion of cost of carrying out conservation measures represented by ACP assistance, 1950–54

Program:	*Estimated portion of cost represented by ACP assistance (percent)*
1950	41
1951	42
1952	42
1953	40
1954	43

NOTE.—For the most part these percentages refer to the portion of the out-of-pocket costs represented by ACP assistance. ACP assistance would represent only about one-third of the total cost including all labor.

Mr. ANDERSEN. The committee will stand adjourned until 9:30 tomorrow.

Mr. WILLIAMS. Thank you very much, Mr. Chairman.

THURSDAY, APRIL 16, 1953.

FLOOD PREVENTION

WITNESSES

J. EARL COKE, ASSISTANT SECRETARY OF AGRICULTURE
ROBERT M. SALTER, CHIEF, SOIL CONSERVATION SERVICE
J. C. DYKES, DEPUTY CHIEF, SOIL CONSERVATION SERVICE
CARL B. BROWN, ASSISTANT CHIEF OF OPERATIONS, SOIL CONSERVATION SERVICE
CARL H. DORNY, CHIEF, BUDGET AND FINANCE DIVISION, SOIL CONSERVATION SERVICE
GEORGE R. PHILLIPS, FLOOD PREVENTION OPERATIONS OFFICER, OFFICE OF THE SECRETARY
EARL W. LOVERIDGE, ASSISTANT CHIEF, FOREST SERVICE
GORDON SALMOND, CHIEF, DIVISION OF WATERSHED MANAGEMENT, FOREST SERVICE
HAROLD G. WILM, CHIEF, DIVISION OF FOREST INFLUENCES, FOREST SERVICE
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$6,559,600	$7,749,425	$15,596,000
Prior year balance available	702,541	418,348	
Reimbursements from non-Federal sources	9,366	2,000	4,500
Reimbursements from other accounts	21,254	57,000	35,000
Total available for obligation	7,292,761	8,226,773	16,605,500
Balance available in subsequent year	−418,348		
Obligations incurred	6,874,413	8,226,773	15,605,500
Comparative transfer to—			
"Salaries and expenses, Forest Service"	−301,342	−372,566	
"Forest roads and trails, Forest Service"	−63,717	−71,958	
"State and private forestry cooperation, Forest Service"	−31,555	−71,776	
"Salaries and expenses, Soil Conservation Service"	−998,118	−1,513,292	
Total obligations	5,479,681	6,197,181	15,605,500

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sales of personal property (40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. Preliminary examinations and surveys	$1,710,481	$718,769	$1,029,726
2. Measures primarily for flood prevention (works of improvement)	3,497,289	5,240,741	14,036,274
3. General basin investigations in the Arkansas-White-Red River, Colorado River, and New England-New York areas	241,291	178,671	500,000
4. Obligations under reimbursements from non-Federal sources	9,366	2,000	4,500
Total direct obligations	5,458,427	6,140,181	15,570,500
Obligations Payable Out of Reimbursements From Other Accounts			
1. Preliminary examinations and surveys	16,256	45,000	25,000
2. Measures primarily for flood prevention (works of improvement)	4,998	10,000	10,000
3. General basin investigations in the Arkansas-White-Red River, Colorado River, and New England-New York areas		2,000	
Total obligations payable out of reimbursements from other accounts	21,254	57,000	35,000
Total obligations	5,479,681	6,197,181	15,605,500

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	656	412	695
Full-time equivalent of all other positions	98	71	196
Average number of all employees	686	441	852
Average salaries and grades:			
General schedule grades:			
Average salary	$5,502	$4,728	$4,631
Average grade	GS–6.6	GS–7.0	GS–6.9
Crafts, protective and custodial grades:			
Average salary	$4,775	$4,570	$4,332
Average grade	CPC–9.0	CPC–8.5	CPC–9.1
Ungraded positions: Average salary	$3,600	$3,600	$3,600
Personal service obligations:			
Permanent positions	$2,681,790	$1,698,715	$3,016,657
Part-time and temporary positions	217,469	174,332	472,711
Regular pay in excess of 52-week base	9,610	6,667	11,449
Payment above basic rates	6,957	2,491	3,173
Payment to other agencies for reimbursable detail	2,426		
Total personal service obligations	2,918,252	1,882,205	3,503,990
Direct Obligations			
01 Personal services	2,901,861	1,841,505	3,485,290
02 Travel	191,899	115,077	252,651
03 Transportation of things	9,677	13,050	28,390
04 Communication services	19,070	16,137	24,465
05 Rents and utility services	26,040	22,500	55,950
06 Printing and reproduction	52,396	25,250	34,600
07 Other contractual services	1,782,042	3,678,936	10,238,171
Advance to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392	74,607		60,040
"Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture," pursuant to 7 U. S. C. 1388	6,800		25,250
Services performed by other agencies	76,151	74,476	138,750
08 Supplies and materials	253,150	305,200	812,772
09 Equipment	47,349	39,035	274,452
10 Lands and structures		5,000	5,000
11 Grants, subsidies, and contributions	13,028		118,448
13 Refunds, awards, and indemnities	70		
15 Taxes and assessments	4,896	4,115	16,371
Subtotal	5,459,036	6,140,281	15,570,600
Deduct charges for quarters and subsistence	609	100	100
Total direct obligations	5,458,427	6,140,181	15,570,500
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	16,391	40,700	18,700
02 Travel	2,758	5,100	5,100
03 Transportation of things	36		
07 Other contractual services	1,206	4,000	4,000
08 Supplies and materials	796	4,200	4,200
09 Equipment	63	3,000	3,000
15 Taxes and assessments	2		
Total obligations payable out of reimbursements from other accounts	21,254	57,000	35,000
Total obligations	5,479,681	6,197,181	15,605,500

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$2,916,034	$1,930,465	$2,788,238
Obligations incurred during the year	6,874,413	8,226,773	15,605,500
	9,790,447	10,157,238	18,393,738
Deduct:			
Reimbursable obligations	20,620	59,000	39,500
Unliquidated obligations, end of year	1,930,465	2,788,238	6,294,238
Total expenditures	7,829,362	7,310,000	12,060,000
Expenditures are distributed as follows:			
Out of current authorizations	7,829,362	5,405,000	9,560,000
Out of prior authorizations		1,905,000	2,500,000

Mr. ANDERSEN. We have before us this afternoon the item relative to flood prevention in the Department of Agriculture.

JUSTIFICATION OF THE ESTIMATES

Prior to your statement we will insert in the record pages 1, 2, 6, 7 and 15 through 24 of the justifications, and a statement comparing the revised estimate with the original budget estimate.

(The pages referred to follow:)

PURPOSE STATEMENT

FLOOD PREVENTION ACTIVITIES

The flood-prevention activities of the Department are carried out pursuant to the Flood Control Act of June 22, 1936, as amended and supplemented, and other provisions of laws relating to the activities of the Department. The activities carried out under this item consist of:

1. The preliminary examination and survey of watersheds authorized by Congress for investigation and the preparation of survey reports setting forth the watershed conditions and recommending improvement programs, and

2. The installation of watershed improvement measures primarily for flood prevention to retard runoff and waterflow and to prevent erosion which are included in improvement programs.

The Soil Conservation Service and the Forest Service make investigations of watersheds and prepare watershed survey reports. The Bureau of Agricultural Economics, the Production and Marketing Administration, and other Federal agencies and State and local agencies are consulted as they have interests or can contribute to the development of recommended programs.

Watershed improvement measures to increase the infiltration of water into watershed lands, to retard and control runoff, and to prevent erosion and thus reduce sedimentation of stream channels and reservoirs are installed in accordance with recommended programs. This work is done in cooperation with State and local agencies and landowners and operators.

GENERAL BASIN INVESTIGATIONS

General basin investigation activities consist of the preparation of the agricultural phases of comprehensive, integrated resource development programs for the Arkansas-White-Red River and New England-New York areas pursuant to various provisions of law relating to the work of the Department.

Resource development programs for the Arkansas-White-Red River and the New England-New York areas are being developed cooperatively by concerned Federal agencies with appropriate State and local participation, under the Federal Interagency River Basin Committee. By this procedure overall programs are prepared for the development, use and conservation of all natural resources in the areas, which, after appropriate review by concerned Federal agencies and States, will be transmitted to the Congress for consideration.

The Department, in cooperation with Federal and State agencies, is also continuing the preparation of an agricultural program for the Columbia Basin area through the use of flood-prevention survey funds and other funds available to the Department.

These programs are planned and are being carried out in close collaboration with the people in each area. Their purpose is to provide an effective means by which Federal activities can assist the people to beneficially use and conserve their natural resources and to fulfill local, regional, and national needs.

Flood prevention: Measures primarily for flood prevention installed under flood control acts, preliminary examinations and surveys, and general basin investigations:		
Appropriated 1953		[1] $6,138,181
Revised budget estimate, 1954		7,000,000
Appropriation act, 1953		7,750,000
Reductions pursuant to:		
Sec. 411	$309	
Sec. 412	266	
		−575
Activities transferred in 1954 estimates for measures contributing to flood prevention, as shown in detail on next page		−2,029,592
Base for 1954		5,719,833
Revised budget estimate, 1954		7,000,000
Increase (direct appropriation)		+1,280,167

[1] Includes $418,348 available from prior year balances.

NOTE.—Although an increase in appropriation of $1,280,167 is requested for this item in 1954, it is estimated that there will be an increase of only $861,819 in total funds available due to the availability of prior year balances of $418,348 in the fiscal year 1953.

Summary of increases and decreases, 1954 (on the basis of available funds)

For preparation of preliminary examinations and surveys	−$194,118
For installation of measures primarily for flood prevention (works of improvement) under the flood control acts	+1,064,213
For legal work and overall coordination and supervision of flood prevention activities	−8,276

Project statement (reflecting available funds)

Project	1952	1953 (estimated)	Increases and decreases	1954 revised (estimated)
1. Preliminary examinations and surveys	$1,685,925	$894,118	−$194,118	$500,000
2. Measures primarily for flood prevention (works of improvement) authorized under the Flood Control Acts	3,478,792	5,222,116	+1,064,213	6,286,329
3. General basin investigations in the Arkansas-White-Red River and New England-New York areas	241,291	178,671	.....	178,671
Transferred to:				
"Salaries and expenses, Office of the Secretary of Agriculture"	24,593	24,850	−7,850	17,000
"Salaries and expenses, Office of the Solicitor, Department of Agriculture"	18,460	18,426	−426(3)	18,000
Total available or estimate	5,449,061	6,138,181	+861,819	7,000,000
Prior year balance available in 1952	−702,541	.....		
1952 balance available in 1953	+418,348	−418,348		
Transfer in 1954 estimates to:				
"Salaries and expenses, Forest Service"	+301,342	+372,566		
"Forest roads and trails, Forest Service"	+63,717	+71,958		
"State and private forestry cooperation, Forest Service"	+31,555	+71,776		
"Salaries and expenses, Soil Conservation Service"	+998,118	+1,513,292		
Reductions pursuant to secs. 411 and 412	.....	+575		
Total appropriation or estimate	6,559,600	7,750,000		

STATUS OF PROGRAM

The objective of this program is to reduce damages caused by floodwaters, erosion, and sediment to farms, forests, rural communities, and other property, particularly above mainstream works, and to reservoirs and other protection works on the mainstreams. This objective is met by the installation of measures primarily for flood prevention under this appropriation, and the application of conservation measures contributing to flood prevention under other appropriations of the Department. Adjustments in the use of lands, the use of vegetative cover and other conservation measures, increase the amount of water temporarily stored in the soil. Supplementary structures help to impound sediment, control gullys, stabilize stream banks and retard runoff, and control its movement into the rivers.

Progress with preliminary examinations and surveys

Congress has authorized over 1,000 watershed investigations.—Congress has authorized and directed this Department to make some 1,061 watershed investigations under the Flood Control Acts. In various instances two or more authorizations are concerned with the same watershed or portion thereof, so the actual number of survey reports to be prepared and the number of watersheds involved is materially less than this figure.

The Department has completed preliminary examination reports on 180 watersheds and survey reports on 32.—Preliminary examination reports on 150 watersheds have recommended that surveys be made and 30 have not. Reports on 32 watersheds or groups of watersheds have been forwarded to Congress. Twenty-five of these reports recommended programs of improvement and seven did not. The Flood Control Act of December 22, 1944, as amended and supplemented, approved programs of improvement as recommended in 11 of these reports. The Department concentrated in 1952 and is again this year on completing survey reports already under way and on getting reports to Congress or prepared for submission. During the fiscal year 1952 and the early part of the current fiscal year reports on the following 12 watersheds were submitted to the Congress where they are now under consideration:

Brazos River, Tex. (H. Doc. 396, 82d Cong., 2d sess.)
Delaware River, Pa., Del., N. J. (H. Doc. 405, 82d Cong., 2d sess.)
Grand (Neosho) River, Ark., Okla., Kans., Mo. (H. Doc. 388, 82d Cong., 2d sess.)
Green River, Ky. and Tenn. (H. Doc. 261, 82d Cong., 1st sess.)
Pecos River, Tex., N. Mex. (H. Doc. 475, 82d Cong., 2d sess.)
Pee Dee River, Va., N. C., S. C. (H. Doc. 395, 82d Cong., 2d sess.)
Queen Creek, Ariz. (H. Doc. 397, 82d Cong., 2d sess.)
Savannah River, N. C., S. C., Ga. (H. Doc. 40, 83d Cong., 1st sess.)
Scioto River, Ohio (H. Doc. 409, 82d Cong., 2d sess.)
Sevier Lake, Utah (H. Doc. 406, 82d Cong., 2d sess.)
Sny, Ill. (H. Doc. 398, 82d Cong., 2d sess.)
Youghiogheny River, Pa., W. Va., Md. (H. Doc. 39, 83d Cong., 1st sess.)

In addition, the following reports recommending agricultural programs, including measures for flood prevention, have been submitted to the Congress:

Missouri River Basin Agricultural Program (H. Doc. 373, 81st Cong., 1st sess.)
Supplemental Report, Missouri River Basin Agricultural Program (H. Doc. 530, 82d Cong., 2d sess.):
Blue River, Kans. and Nebr.
Five Mile Creek, Wyo.
Osage River, Kans. and Mo.
Salt-Wahoo Creeks, Nebr.
Upper South Platte River, Colo. and Wyo.

Survey reports on other watersheds are now in final stage

Survey work was carried on in 1952 on 61 watersheds or groups of watersheds and is scheduled for 32 watersheds in 1953. In several instances reports are being prepared on a group of several authorized watersheds. A similar approach may be followed in the future in other instances where it is feasible and more economical. Eleven watershed survey reports are now in the process of clearance with other Federal agencies and with the States or have been transmitted to the Bureau of the Budget. They are:

Arkansas River, lower, Oklahoma and Arkansas
Boise, Idaho
Connecticut, New Hampshire, Vermont, Massachusetts, and Connecticut.
Fountain River, Colo.

Roanoke River, Va. and N. C.
Russian River, Calif.
Walla Walla River, Wash. and Oreg.
Wasatch Front, Utah
Washita (Review), Okla. and Tex.
White River, East Fork of, and Patoka, Ind.
White River, upper, Arkansas and Missouri

About 15 others are expected to reach that stage during the fiscal year 1953.

The favorable results obtained from measures now being installed on selected subwatersheds emphasize the importance and need to speed up the development of improvement programs in drainage basins where floodwater and sediment damage to agricultural and other property is severe and where mainstream compelmentary works of the Corps of Engineers, Bureau of Reclamation, and others need protection.

Watershed and downstream program recommendations are correlated

Program recommendations for watershed improvement are based upon hydrologic and economic data obtained by this Department, the Corps of Engineers, and other Federal, State, and local agencies and mutually shared by all to the extent it is useful. Proposed improvements are correlated with and designed to protect mainstream works constructed by the Corps of Engineers, the Bureau of Reclamation, and others, in addition to providing protection to the watershed lands and property above the mainstream works.

General basin investigations

This Department is participating with five other Federal departments and agencies and the States concerned in planning comprehensive resource-development programs for the Arkansas-White-Red Rivers and the New England-New York areas. In cooperation with the States the Department is also developing an agricultural program for the Columbia River area to complement the mainstream water-development programs already prepared by other Federal agencies.

Watershed works of improvement

Reduction of floodwater and sediment damages and prevention of floods begins where the rain falls—on watershed lands.—The flood-control acts provide for the reduction of floodwater, sediment, and erosion damages and the prevention of floods by watershed-improvement measures for which the Department of Agriculture is responsible and for control of floods by mainstream-control works for which the Department of the Army is responsible. Adjustments in the use of watershed lands, so they are used in accordance with their capabilities to the extent feasible, and the application of soil and water conservation and forestry measures within authorized watersheds increase the capacity of the soil to absorb and temporarily store water. They help to prevent erosion, to prevent floods, and to reduce the downstream damage to property and reservoirs by sediment. Gully control, floodwater retarding, sediment storage, streambank stabilization, and other supplementary measures further assist in these functions and in the orderly routing of runoff from the land into the minor watercourses and down to the main streams where the Department of the Army has responsibility. The period for installation of improvement measures on individual subwatersheds is customarily planned to cover 2 to 4 years. The period for entire watersheds is usually scheduled to cover from 10 to 30 years.

Progress with the installation of improvement measures has revealed the need for review of recommended and authorized programs for several of the watersheds as indicated previously in these notes.

Responsibilities for watershed-improvement work

The Forest Service and the Soil Conservation Service have been assigned responsibility for the installation of authorized watershed works of improvement in accordance with their respective specialist fields. They cooperate with local State and Federal agencies with which they work on other related activities and with others concerned with this particular activity.

Watershed improvements during the last year by the two agencies concerned are outlined in the following statements. These statements cover both "Measures primarily for flood prevention" and "Conservation measures contributing to flood prevention" since both types of work were conducted under this item in the fiscal years 1952 and 1953.

Watershed-improvement work by the Forest Service.—The following principal physical works of improvement have been installed and major fire-protection

equipment items acquired for watershed-improvement purposes under the flood-control acts by the Forest Service and cooperating State agencies.

Measure	Unit	Total completed or acquired		
		In 1952	In prior years	To June 30, 1952
Fire protection:				
Roads (constructed or rebuilt)	Miles	5.3	52.7	58
Trails (constructed or rebuilt)	do	52	105.3	157.3
Firebreaks	do		77.5	77.5
Telephone lines	do	15.3	37.5	52.8
Large water storage tanks	Number	2	59	61
Lookout towers	do	1	10	11
Fire crew station sites	do	1	6	7
Buildings for fire protection work (barracks, cabins, warehouses, garages, offices, miscellaneous)	do	6	36	42
Pumps	do	3	13	16
Radios (mobile and stationary)	do	18	104	122
Fire trucks with equipment	do	1	24	25
Tractors	do	1	6	7
Plows	do	1	8	9
Stabilization of roadsides	Miles		76.3	76.3
Revegetation, cover improvement:				
Seeding and planting, trees and shrubs	Acres	9,320	19,576	28,896
Soil stabilizing brush dams	Number	9,360	5,569	14,929
Emergency seeding following fire on 11 authorized watersheds	Acres		1,500	1,500
Mountain channel control:				
Barriers	Number		134	134
Planting	Square yards		292,000	292,000
Channel clearing	Acres		29	29
Channel stabilization	Lineal feet		781	781

In the Coosa River watershed the installation phase of fire protection improvements and facilities has been completed to the extent provided for in the flood-control survey report. This has been accomplished cooperatively with the State of Georgia, costs being shared equally by the Federal Government and the State. The flood prevention program has brought protection from forest fires to previously unprotected counties within the watershed and has made available modern fire fighting equipment which would not have been available otherwise.

In the Potomac River watershed the installation of fire protection facilities is nearing completion. The State forester of West Virginia estimates he probably will be able to finish this phase of the program in that State in the fiscal year 1953, which would finish the fire protection work provided for in the watershed survey report. Costs of the job are shared equally by the Federal Government and the State.

The rate of tree planting in the Little Tallahatchie-Yazoo River watersheds continues to expand each year. A shortage of planting stock has been a limiting factor in the amount of work accomplished. Over 13½ million trees were planted on privately owned lands and nearly 2½ million on public lands in these watersheds in the fiscal year 1952. As an indication of progress in local participation in and acceptance of the work, considerable effort was required in one county to get 20,000 trees planted in the fiscal year 1947, whereas in the fiscal year 1952 more than 1 million trees were planted. A problem confronting owners of some severely eroding land is the rapid erosion of sand which exposes the root systems of planted seedlings resulting in planting failures. To effectively combat this, in addition to using dead mulch, grasses and other plants have been seeded to partially stabilize the planting sites and effect some control of erosion until planted trees can complete the stabilization and erosion prevention job.

During the past year project foresters assisted in the preparation of 959 farm plan agreements. To date approximately 33 percent of the woodlands in the Yazoo-Little Tallahatchie River watersheds have been covered by farm plans. During the fiscal year 1952 some 630 landowners were assisted with their timber management problems, and over 13,000 acres were added to the area of forest lands within the watersheds being managed according to approved forestry practices, particularly from the standpoint of watershed protection.

Fire protection has been extended, in cooperation with the State of Mississippi, to all but four counties in the watersheds. In these four counties much work has been done to help the citizens obtain countywide fire protection. Project

foresters have cooperated directly with the State forester in suppressing fire and in training emergency fire crews to be available and effective during critical fire conditions.

Citizens of the Yazoo-Little Tallahatchie River watersheds have been helped to understand how to apply good forest practices and to appreciate their importance in the flood-prevention program. For example, project foresters gave 48 demonstrations of forest practices, made over 100 talks to local groups about the work and supplied local newspapers over 440 articles about watershed improvement needs, methods, and progress.

In the mountain area of the Santa Ynez River watershed, above the Gibralter and Cachuma Reservoirs and downstream agricultural areas, the fire protection program is more than two-thirds installed. The arid period since 1943 has produced and increasingly hazardous fire condition. Fires have shown a tendency toward more rapid spread and increased night burning. Many fires have started since the flood prevention program was initiated. Any one of these could have become a major conflagration. The intensification of fire protection, and particularly the ready availability of an emergency fire-fighting crew provided under the flood-prevention program have made it possible to suppress quickly the fires which did start and thus save the vital cover of the watershed.

In the Los Angeles River watershed, the Forest Service cooperates in some phases of the flood-prevention work with the Division of Highways of the State of California, and in other phases with the city and county of Los Angeles. Stabilization of mountain highway slopes cooperatively with the highway division has recently been slowed down. It has been necessary for the State to concentrate the use of its funds on projects more directly associated with the defense effort. Work which has been accomplished was subjected to severe tests during the storms of January 1952. Where formerly great slips and landslides were common under similar severe storm conditions, the treated road slopes successfully withstood the impact of rain and runoff from these January storms, thus reducing the costs for road maintenance and the rate at which sediment was washed into the mountain channels above and thence into the Devil's Gate flood-control reservoir.

Cooperative fire protection is provided the foothill areas of the steep mountain watershed in conjunction with the city and the county of Los Angeles. Recent rapid expansion of residential development into the foothill areas necessitates a highly integrated program of fire protection on non-Federal and national forest lands by local government agencies and the Forest Service. Fires in buildings, fires occurring along roads, and burning wastes are very serious hazards to the adjacent mountain watershed which rises directly above these communities. The cooperative fire protection programs, 75 percent complete with the county and 40 percent complete with the city, have been highly effective in the face of increasingly hazardous conditions in the foothills.

Watershed improvement work by the Soil Conservation Service.—The Soil Conservation Service has assisted local soil conservation districts in the 11 authorized watersheds in planning and installing watershed improvement measures. Work plans have been developed for 563 subwatersheds covering watershed treatment for approximately 11,900,000 acres or about 40 percent of the 30,102,774 acres in the authorized portions of the 11 watersheds. The work planned thus far indicates that approximately 40 percent of the cost of installation will be borne by local interests and 60 percent by the Federal Government.

The proper and continued maintenance of installed measures is the key to the longtime effectiveness of watershed improvement programs. Various arrangements are in effect in the authorized watersheds under which local agencies have undertaken this important function. Landowners and operators generally maintain conservation and other measures primarily benefiting the lands upon which they are installed. Local units of government generally maintain measures providing primarily off-site benefits.

For example, in the Buffalo Creek watershed, the joint board of directors of the Erie and Wyoming County Soil Conservation Districts, created by the New York State Legislature in 1949 and authorized to engage in streambank and other maintenance work in the watershed, has assumed responsibility for such work. The legislature also authorized the board of supervisors of each of the two counties to appropriate money toward a fund for the maintenance of installed structures. The Wyoming County Board of Supervisors appropriates $1,500 annually and the Erie County Board of Supervisors appropriates $3,500 annually to a revolving fund for the use of the joint board in financing this work. The annual appropriations by the 2 counties are credited to a revolving fund

until the fund totals $50,000. As funds are expended for maintenance, the counties may be reimbursed by the State of New York up to one-half of the expenditure.

The maintenance work is administered for the joint board by a streambank maintenance committee composed of 1 director from the Erie County Soil Conservation District, 1 director from the Wyoming County Soil Conservation District, and a representative of the Soil Conservation Service acting as a consultant and third member of the committee. This committee inspects the installed measures semiannually and after severe storms or floods. In each instance it makes a report to the joint board on the condition of the installations, what maintenance should be undertaken, how it can be accomplished, and the estimated cost. If the report is approved by the joint board the maintenance work is done by contract or with district equipment and after completion vouchers are presented to the joint board for payment out of the revolving fund.

Eight and one-half miles of streambank protection measures, completed in work-plan areas Nos. 1 and 2 in the headwaters of Buffalo Creek, were turned over to the joint board in the summer of 1952 and from then on are to be maintained by it.

Installations which had previously been subjected to several high floods and severe ice conditions stood up very well, indicating that maintenance costs should be moderate.

Most of the flood-prevention accomplishments to date in the little Tallahatchie and Yazoo River watersheds consist of (1) the stabilization of some very critical eroding areas which had been sources of sand and silt that clogged stream channels and spread over valley lands, and (2) the improvement of vegetative cover which will contribute in increasing degree to a reduction in rates of runoff from watersheds and to a reduction in the frequency and duration of overflows.

However, a third phase, the improvement of channel capacity of streams to supplement the work in item (2) above, is now well under way. Two such projects have been completed. One of these projects is on Tippah Creek, a tributary of the little Tallahatchie River, where during the fiscal year 1951, 8.7 miles of channel improvement measures were installed. The work has reduced flooding and has resulted in immediate notable increases in crop production on the 3,068 acres of protected bottom lands. The total cost was $14,275, of which $11,625 was paid by the Federal Government and $2,650 by the Tippah Drainage District No. 1, which in addition furnished the rights-of-way and assumed responsibility for maintenance.

Arrangements have been completed, as a culmination of several years of educational work and negotiation by the Soil Conservation Service, the Corps of Engineers, and the Tallahatchie River Drainage District, to carry out a coordinated program of improvement of some 28 miles of channel of the little Tallahatchie River. Under the program, which is covered by a working agreement setting forth the responsibilities of each party, the Corps of Engineers is improving the outlet for the channel on the lands acquired for Sardis Reservoir at an estimated cost of $50,000. The drainage district is paying approximately $230,000 and the Department approximately $340,000 of the remaining cost. The drainage district in addition is providing all of the rights-of-way and legal costs, and will maintain the completed project.

A contract was awarded in the fiscal year 1952 as a start on this channel improvement job. Headwater stabilization work has been emphasized prior to that time so that such work would precede the needed improvements in the channel and tributaries.

The overflow conditions in this area are severe. During the 10-year period 1939 through 1950 there occurred 88 overflows, 40 of which were during crop time. An estimated 67 percent of such overflows during crop time will be eliminated after the watershed and channel improvement work is completed, with substantial reductions in the remainder. A total of 18,813 acres of land is directly benefited by the project with estimated benefits of $3.20 for each dollar of cost.

This project will also provide the outlet for a number of additional small projects of similar nature on tributary streams. Already, a drainage district which will comprise the valley land of one tributary stream is in process of organization with the expectation of providing local participation in construction costs and of providing right-of-way and maintenance similar to the other projects described.

Improvement of the 65,000-acre Sandstone Creek subwatershed in the Washita River watershed was essentially completed in the fiscal year 1952. This is the first of the major creek tributaries of the Washita to receive complete treatment The improvements include on-the-farm land conservation and watercourse stabilizing measures and a system of 24 floodwater retarding structures—small upstream detention dams costing an average of about $35,000 each.

Cooperative agreements between the farmers and ranchers and the local soil-conservation districts cover soil and water conservation plans for 62,000 acres, or 95 percent of the watershed. More than 81 percent of the recommended treatment measures have been applied.

Installed land-treatment measures include cover cropping, strip cropping, range improvement, terraces, stubble mulching, field diversions, and other similar measures designed to retard runoff and prevent erosion.

Easements for the structure sites and flowage areas have been provided by the landowners without cost to the Federal Government.

The combination of land treatment measures and retarding structures is expected to reduce the $60,000 average annual flood damages by about 98 percent. The 4,700-acre flood plain, formerly subject to floodwater and sediment damage, will be protected to such an extent that only 340 acres is expected to be flooded by a storm of the severity expected to occur once in 25 years. Flood plain scour, streambank cutting, over-bank sediment deposition, land damage from severe sheet and gully erosion will be reduced to minimum amounts.

The total benefits are estimated at $2.84 for each dollar of cost.

The system of small waterflow retarding structures makes possible a more intensive use of the bottomlands. Farmers expect to convert such lands, now producing relatively low returns from small grain or pasture because flooding has been so frequent, to high-value alfalfa. The estimated net benefit from this more intensive land use will be more than $11,000 annually.

Of particular interest was the accomplishment of the waterflow retarding structure phase of the program at a final cost slightly in excess of $900,000, which conforms closely with the estimates made in the work plans prepared prior to initiation of construction. This reflects completeness of estimates, as well as effective coordination of work of the landowners, soil-conservation district supervisors, and technical personnel. Watershed treatment on Sandstone Creek is typical of the program to be applied generally in the other 63 subwatersheds in the Washita.

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Preliminary examinations and surveys	$604,118	$1,000,000	$500,000	−$500,000
2. Measures primarily for flood prevention (works of improvement):				
(a) Authorized under the Flood Control Acts	5,222,116	11,248,000	6,286,329	−4,961,671
(b) Authorized under legislation other than the Flood Control Acts	----------	2,733,000	----------	−2,733,000
3. General basin investigations in the Arkansas-White-Red River, Colorado River, and New England-New York areas	178,671	500,000	178,671	−321,329
Transferred to:				
"Salaries and expenses, Office of the Secretary of Agriculture"	24,850	35,000	17,000	−18,000
"Salaries and expenses, Office of the Solicitor, Department of Agriculture"	18,426	50,000	18,000	−32,000
Total available or estimate	6,138,181	15,566,000	7,000,000	−8,566,000
1952 balance available in 1953	−418,348			
Transfer in 1954 estimates to:				
"Salaries and expenses, Forest Service"	+372,566			
"Forest roads and trails, Forest Service"	+71,958			
"State and private forestry cooperation, Forest Service"	+71,776			
"Salaries and expenses, Soil Conservation Service"	+1,513,292			
Reductions pursuant to secs. 411 and 412	+575			
Total appropriation	7,750,000			

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $8,566,000 in this item below the original budget estimate consists of the following:

(1) Decrease of $500,000 under the project "Preliminary examinations and surveys" consisting of (*a*) elimination of increase of $305,882 in original budget to accelerate completion of authorized watershed surveys; and (*b*) reduction of $194,118 below amount available in 1953 by curtailing work on surveys now under way and on authorized review surveys.

(2) Reduction of $4,961,671 under the project "Measures primarily for flood prevention (works of improvement)" on 11 authorized watersheds by partial elimination of increase of $6,025,884 in original budget for installing improvement measures to retard runoff and waterflow and prevent erosion.

(3) Elimination of original increase of $2,733,000 under the project "Measures primarily for flood prevention (works of improvement)" for starting the installation of improvement measures on 7 watersheds under legislation other than the flood-control acts.

(4) Elimination of original increase of $321,329 under the project "General basin investigations" which consisted of (*a*) $200,000 for starting development of a comprehensive agricultural program for the Colorado River basin and (*b*) $121,329 for more intensive work in completing the agricultural phases of comprehensive resource development programs for the Arkansas-White-Red River and New England-New York areas.

(5) Decrease of $18,000 under the transfer to "Salaries and expenses, Office of the Secretary of Agriculture" consisting of (*a*) elimination of original increase of $10,150 for overall coordination and supervision of flood prevention activities; and reduction of $7,850 below amount available in 1953 for those purposes.

(6) Decrease of $32,000 under the transfer to "Salaries and expenses, Office of the Solicitor, Department of Agriculture" consisting of (*a*) elimination of original increase of $31,574 for additional legal work, and reduction of $426 below amount available in 1953 for such work.

Changes in Organization

Mr. Andersen. Mr. Coke, we will be very glad to hear you at this time.

Mr. Coke. I thank you.

Mr. Chairman, I should like to comment briefly on the Department of Agriculture's policy regarding flood prevention and our reorganization for carrying out responsibilities in this field.

The Department's work under the "Flood prevention" item is directed primarily toward preventing damages by floodwaters, sediment, and soil erosion on watershed lands and in headwater valleys. This item contains estimates for making preliminary examinations and surveys of watersheds authorized in the flood-control acts, for planning the agricultural phases of two river-basin programs in cooperation with other Federal and State agencies, and for installing works of improvement in the interest of flood prevention on 11 watersheds authorized in the Flood Control Act of 1944.

This activity is over and above the work accomplished under other Department programs for soil conservation, forest management, and related activities. In the flood-prevention work we determine the needs for the costs and the benefits of the measures that are primarily for flood prevention, such as small floodwater detention dams, diversions, sediment basins, and channel improvements. Farmers and ranchers are not generally prepared to install these measures on their own lands, but such measures are needed to protect other farmers and city people, roads and railroads, industry and communications against flood damages in the stream valleys down below the watershed lands.

This activity requires a high degree of cooperation between organized local groups and agencies, the States, and Federal Government in doing a job for the public good. These flood-prevention measures are needed in addition to the farmers' own conservation practices. Together, this combination of conservation achieved through our broad national programs and by flood-prevention provides for minimizing flood and sediment damage and for increasing the benefits of water from the point where it hits the earth down through the small branches and tributary streams to the big rivers where the control job is taken over by other agencies.

Flood-prevention activities in the Department are largely in the technical fields and are closely related to the regular activities of the Soil Conservation Service and the Forest Service. With this in mind, we have taken action to simplify and streamline the administration of our activities under the Flood Control Acts and in developing the agricultural phases of basinwide resource programs.

Effective April 1 the Secretary assigned to the Soil Conservation Service general responsibilities for administering all flood-prevention activities and river-basin investigations of the Department. It is our belief that the Department's responsibilities in the field of flood prevention can be most efficiently and effectively administered by the same agency administering the soil-conservation program.

Subject to policies established by the Secretary and under the overall guidance of the Assistant Secretary, the SCS was assigned responsibility for developing standards and procedures for the Department's flood-prevention program, and for planning and scheduling watershed surveys and installation of flood-prevention measures in watersheds authorized by the Congress.

I understand that the Soil Conservation Service has invited the Forest Service to participate in the development of such guiding material and plans. This is the sort of teamwork that we desire in the Department.

The Soil Conservation Service, in carrying out its responsibilities, will utilize the services of the Bureau of Agricultural Economics and of other bureaus and agencies within and outside the Department where appropriate and desirable in the interest of simplicity and economy.

Subject to general overall responsibilities, the Forest Service has responsibility for the portion of the work on (*a*) national forests and other watershed lands it administers, (*b*) on range areas adjacent to national forests and used in conjunction with such forests, and (*c*) on other forest lands.

The Forest Service is to continue to cooperate and enter into agreements with and to utilize the services of State forestry agencies for these purposes when State and private forest lands are affected.

We believe that these organizational arrangements will provide for efficient handling of Department activities carried on under the "Flood prevention" item. Through this reorganization we were able to eliminate the land- and water-resources staff in the Secretary's Office and the positions of Secretary's basin representatives. Only one position was retained as an assistant to me in formulating broad policies and handling relationships at the departmental level. The incumbent will represent my office in the activities of the Federal Inter-Agency River Basin Committee here in Washington.

The Department, through the Soil Conservation Service, expects to maintain an active participation in interagency activities, on a coequal basis with other departments and agencies, in the Arkansas-White-Red River, New England-New York, and other such areas.

A considerable number of survey reports, prepared by the Department in response to authorizations in the flood-control acts, are nearly ready for forwarding to the Congress. The Soil Conservation Service will review these reports prior to their transmittal and make any amendments necessary to place them in conformance with present departmental policy.

In this review, recommendations for Federal acquisition of land for flood-prevention purposes will be deleted and recommendations for other public acquisition of lands will be held to the minimum. Recommendations for authorizing direct financial aids such as ACP payments in the installation of land-treatment measures as parts of watershed-improvement programs will be deleted. Further consideration will be given to recommending measures to be sure they contribute directly to flood-prevention objectives.

Since the responsibility for administering the flood-prevention activities of the Department have been assigned to the Soil Conservation Service, I am asking Dr. Salter to take the leadership on the "Flood prevention" budget estimates. Members of his staff and representatives of the Forest Service are here to supply you with such information as you may desire.

Mr. ANDERSEN. Thank you, Mr. Coke.

Dr. Salter, do you have something you would like to add prior to the questioning?

Dr. SALTER. Yes, Mr. Chairman, I would like to take just a little time to very briefly review the flood-prevention work.

Mr. ANDERSEN. We will be very glad to hear you.

Dr. SALTER. Mr. Coke has just told you of the Department's broad policy and new organizational arrangements for carrying out its responsibilities under the flood control acts. I would like to amplify that statement with respect to how we in the Soil Conservation Service see this flood-prevention job.

THE FLOOD-PREVENTION JOB

We think the job of flood prevention is just what the name implies, namely, trying to prevent floods from getting started. We believe that the flood problem begins where the rain hits the earth and the snow begins to melt. As we see it, solution of the flood problem starts with the right land use for each kind of land and the application of needed conservation practices to prevent erosion and get more water to go into the soil and pass through it slowly, seeping out into quiet clean streams.

We recognize that these conservation measures are not always enough, however, so we believe the job also includes amall floodwater-retarding dams on the "little waters" above the valuable alluvial bottomlands. I can show you on this map, Mr. Chairman.

This is a map of the Sandstone Creek area in the Washita River watershed in Oklahoma; you will notice the alluvial lands (in red) in this subwatershed of about 65,000 acres; of this area, 4,700 acres are alluvial bottom lands. This map indicates the measures for flood

prevention and water retardation, practically all of which lie above the flood plains. The alluvial land which is the most valuable land in the watershed is in this area [indicating]. In other words, the dams are up in the area above the alluvial lands.

This program includes also improvement of channels through these bottomlands to prevent overflows, stabilization of major gullies, and sediment traps to prevent destruction of bottom lands by infertile sands and debris.

In this flood-prevention program, we are concentrating on protection of agricultural lands and small communities, the roads and highways and farmhouses along the headwater streams.

We are seeking to provide enough flood protection to encourage bottom-land farmers to restore and keep their bottomland in continuous and profitable production. Of course these watershed programs also result in some reduction of flood damages on the big rivers.

Our recent studies show that three-fifths of all the Nation's average annual flood damage occurs on the headwater streams, and a large proportion of it is agricultural. The other two-fifths of the flood damage gets most of the headlines, however, and more than 95 percent of the appropriations made for flood protection.

Throughout this country, about 50 million acres of land are subject to overflow in headwater valleys above the locations of any major flood control improvements thus far proposed. That's an area about 40 percent larger than the State of Iowa. Most of the flood damage on these acres is caused by frequent small floods, not the once-in-a-hundred-years headline flood. On the average, 75 to 95 percent of agricultural flood losses in headwaters valleys are caused by floods of the kind that occur more frequently than once in 10 years.

Watershed programs can generally give protection against these frequent floods at a very substantial ratio of benefits to costs. If all the 50 million acres were protected up to a 10-year flood, the additional agricultural production that could be obtained would go a long way toward helping to meet our increased food and fiber requirements of the future. These bottom-land soils are potentially some of the most productive we have in this country. Within 25 years, gentlemen, the additional production from this kind of land may be sorely needed. To give it adequate flood protection along with drainage and other improvements will take the better part of 25 years.

WIDESPREAD PROGRAM NEEDED

A more widespread program of watershed flood prevention is needed. Local people in many areas have told us they are ready and willing to carry their share of the load.

Soil conservation districts already cover more than 80 percent of the agricultural area of the Nation. The National Association of Soil Conservation Districts has strongly endorsed the watershed flood-prevention activity and stands ready to initiate action locally. Other local agencies, such as flood control, conservancy, and drainage districts, are ready to participate in many areas. I believe that local-State-Federal partnership with emphasis on local initiative, local cost sharing, and subsequent local operation and management of improvements is the way to get this job done.

COSTS AND BENEFITS

Now with reference to costs: We would like to make a few points from our experience. It is becoming apparent that as local people understand watershed flood prevention they become willing to bear a larger share of the costs, because they can see every year the resulting benefits.

Secondly, it is our experience that small structures on watersheds can be built at less cost per cubic yard of earth moved or per acre-foot of water-detention capacity than many large structures and levees which must deal with much greater volumes of water.

Thirdly, our evaluations generally show a very substantial ratio of benefits to costs, such as 3 to 1, and even higher.

This answers only part of the question as to whether such work will pay. The rest of the answer is that everyone in the community benefits through increased production, increased tax base, and general prosperity. Moreover, increased agricultural opportunity in small valleys reduces the pressure on eroding uplands, encourages sound conservation, and maintains our resource base.

FLOOD PREVENTION OBJECTIVES

Now, let me amplify somewhat the essential difference in objectives between our watershed flood-prevention work and the main-river flood-control work of the Corps of Engineers. Our studies have shown that if overflow in tributary valleys could be reduced to not more than once in 10 years, the flood-damage risk would be no greater in general than other agricultural risks, such as drought, hail, early frost, and pests—risks which the farmer takes year in and year out.

Flood protection up to a 10-year frequency is generally sufficient to encourage landowners to make the fullest productive use of flood-plain lands. In many areas, however, flood protection up to 25-year frequency or even more can be obtained at only a little more cost and with more benefits per unit of cost. It is questionable, however, whether a higher degree of flood protection, that is, against floods that occur only once every 50 to 100 years, which is the type of flood protection generally provided on main-stem rivers, can be economically justified in most tributary valleys where the predominant losses are agricultural.

Therefore, we have planned our watershed programs to provide for practical flood-damage reductions that could be achieved by improvements on watersheds with the ratio of benefits to costs at the highest point. We try to obtain this degree of protection with the least possible encroachment on good agricultural bottom lands for small reservoir sites or other improvements. In many areas we could probably provide for more flood reduction down in the main river valleys if it were found economically feasible to do so by planning a larger number of small floodwater-retarding structures—such as the one shown in this picture—and by building them somewhat larger.

This picture shows one of these floodwater retarding structures in the Washita Valley in Oklahoma. This shows the nature of the structures we employ and the kind of land back of the structure; this

is relatively poor land here [indicating]; it is rangeland. The land that is protected down below the structure is good alluvial land.

The Soil Conservation Service has felt that if farmers could be given reasonable assurance against overflow of their lands, no more frequently than once in 10 to 25 years, that is usually enough—that is about as much as they are willing to contribute toward and as much as the Federal Government should seek to aid them in providing. The importance of providing this much protection is, however, most important to our future agricultural economy, as I have previously indicated.

There is a great deal of public controversy today about little dams versus big dams. I especially want to make our position on this subject as clear as possible. We are not designing a program that will substitute little dams for big dams. We are designing a program to protect against floods in the tributary valleys up to the 10- to 25-year class. If full protection against the big floods that occur once every 50 years to several hundred years on an average can be economically justified, then additional kinds of flood protection will be required.

RELATIONSHIP OF FLOOD PREVENTION AND SOIL CONSERVATION

Now, I would like to say a few words about the relationship of work under the flood-control acts to our work under national programs for soil conservation, forest protection and management, and agricultural production. As constituted this year, the flood-prevention item is restricted to those improvements made specifically for the purpose of flood prevention. They are in addition to the kinds of soil- and water-conservation practices that the farmers and ranchers of the Nation are carrying out under other national programs of assistance and in addition to the forest protection and management program.

This item provides for Federal assistance in the installation of such measures as small floodwater-retarding structures.

Now I would like to show you a few illustrations. This is just another picture of what is being done.

Mr. HUNTER. What would be the cost of the dam in this illustration?

Mr. BROWN. About $30,000.

Dr. SALTER. This is similar to ones I have shown you previously. This dam is in the Little Sioux River watershed in Northwest Iowa and is of the general character that we have seen in the others. This shows the pool area here [indicating]. Here is another dam showing no water back of the dam. This is a dry dam.

Then we have grade-stabilizing structures. Those are structures generally requiring the collection of water and bringing it from the upper level down to the lower level without resulting in erosion. This happens to be one up near Mapleton, Iowa, and is tied in with the highway.

We have done considerable work on small channel improvements, including cleaning and snagging, enlarging and straightening.

These next four pictures illustrate work done on the Little Tallahatchie, down in Mr. Whitten's section of the country. The first picture shows the dense line of trees indicating the course of the river. The next picture is a close up of the stream before treatment.

The third picture shows the stabilization work carried on. This fourth picture shows the same river after a heavy rain, with the floodwater coming down the channel, instead of spreading out over the surrounding territory.

Here is a picture which shows another type of structure which we use. This is a picture taken out on the Little Sioux.

Here is another one that shows a large gully working back toward this barn, which is about ready to fall in, and another enormous gully coming down over here [indicating].

This next picture shows a dam across the gully, and a concrete chute close to the barn for stepping down the water to get it into the gully without erosion. You will note that back of the barn additional stabilization work has been done, so that barn ought to be able to stay there from now on.

Here is a picture of a diversion dike. This picture also is in the Little Sioux watershed. You can see the slopes here, where the water is collected and brought down, and it does show the structure that carries the water down into the pool. We have made considerable use of this type of diversion dike, which concentrates the water and lets it down into a pool or stream.

Then we have another measure that we call subwatershed waterway improvement. This is a picture taken in the Los Angeles watershed, and it shows the pipe and wire revetment structure along the channel sides. This is in an arid area where you cannot depend on vegetation to stabilize the banks.

Mr. DYKES. That is in an irrigation area.

Dr. SALTER. This is all irrigated land.

I believe we have one further illustration. You will find there are a good many areas where you have rapidly eroding land which puts a lot of sediment into the stream. In some cases it is necessary to build sediment traps. This picture is an illustration of what has been done in the upper part of this little valley to prevent the sediment from this badly eroding dam from getting into the stream.

This series of pictures may give you a little better idea of the type of structures and of the work that has been going on under this agricultural program, work designated as flood prevention.

At present, the Department is carrying out such programs in only 11 watershed areas in the United States as shown in material presented to you. Funds have been included in the regular budgets of the Soil Conservation Service and the Forest Service to accelerate the application of conservation practices that contribute directly to flood prevention on the farms and in the forest lands of these same areas so that the flood-prevention measures and the land-treatment measures can be installed at a balanced rate.

SURVEY REPORTS

Now a word or two about survey reports. Under administrative and legislative procedures developed in connection with the flood control acts, survey reports on watersheds which Congress has authorized for investigation are the first step toward initiating operations programs. Under the new organizational arrangement the Soil Conservation Service will have leadership responsibility on surveys but will call on the Forest Service for program recommendations with

respect to forest land, both public and private, and range land used in conjunction with national forests. We will call on the Bureau of Agricultural Economics for assistance in developing standards for economic evaluation and in carrying out such evaluations.

These survey reports describe watershed conditions, problems, and set forth the programs of measures recommended for improvement of watersheds to reduce floodwater, erosion, and sediment damages. Included in the improvement programs are adjustments in the use of watershed lands to bring actual use into harmony with the use capabilities; the application of conservation practices and measures on the land in accordance with needs, including the establishment and improvement of native trees and grass; and the installation of waterflow retardation and gully stabilization measures and structures, such as I have already referred to.

The kinds of and quantities of such measures needed vary greatly by watersheds. Our survey reports of large watersheds are, of necessity, broad types of investigations in which we endeavor to estimate the overall costs of such a program and the benefits that would accrue from it.

DETAILED PLANNING

The detailed planning of a program is the second step. Planning cannot be done by large watershed units for a very good reason. Planning of this kind of program is basically a local responsibility. To be sure, the local people must have the help of qualified technical experts. Just as the individual farmer, we believe, needs the help of an experienced farm planner to develop a soil and water conservation plan for his individual farm, so do the people of each small watershed need expert help in developing a watershed plan for flood prevention and related purposes.

Our experience shows that we cannot satisfactorily develop a plan for a much larger area than one in which we can obtain a community of interest among the people living in that area. Some of our people in the field have said that if you cannot get all of the people living in the watershed into a high school auditorium for a kind of town meeting on the plan, then you have picked too big an area for planning. Oftentimes we find the right size of area is one in which all the people can get into the little red schoolhouse. That is why we have been forced to break up the larger authorized watersheds into small subwatershed units for planning purposes.

LOCAL PEOPLE TAKE THE INITIATIVE

How we plan is illustrated by a map of the Washita River watershed, which I would like to show you. This is what we call the subwatershed area here [indicating], and this indicates how, by this operation, we can get the watershed planning done in this small area.

Mr. HORAN. What is the number of square miles or area covered by that map?

Mr. DYKES. About 5 million acres. This is in the Sandstone Creek area at this end; it contains some 65,000 acres. This is in the Washita River area.

Dr. SALTER. These are what we call hydrologic units.

We ask that an overall committee, representing the soil conservation districts and other organizations in the whole watershed, be formed to consider the priority of needs as between these different planning units. We work with this committee in presenting all the facts we can gather on conditions, based on our survey, and subsequent findings. We ask them to rate the subwatersheds in terms of priority. Then we ask the local people to take the initiative in forming organized groups, such as watershed associations in each planning unit, to work with us in developing a plan that meets their needs, that is technically sound and one that has a substantial excess of benefits over costs.

We ask this local group as a minimum requirement to make arrangements for furnishing free of all Federal costs the easements and rights-of-way needed for structures, and for assuming all operation and maintenance responsibilities for improvements after they are made. Then we ask them to get busy on accomplishing the part of the job that they themselves can do on their own lands.

We give them the farm planning help needed to lay out their conservation practices, their terraces, strip crops, grassed waterways, pasture improvement, and woodland management. When they have accomplished enough of this job to have the watershed substantially "tied down," we are then ready to come in to give them assistance in building the structures and making the channel improvements and other flood-prevention work.

Generally, we require that more than three-fourths of all the land in a subwatershed or planning unit be under agreement with the soil conservation district and that a substantial part of all the needed practices be installed, particularly in the areas above the location of structures, before we begin their installation.

I have been describing primarily the work as it is carried out by the Soil Conservation Service. Some subwatersheds also include national forest and other forest lands, and in such cases the Forest Service participates in developing the work plan and is responsible for installing the measures on the national forests and other forest lands.

LOCAL INTEREST GROWING RAPIDLY

In closing, I would like to say a few words about the rapid growth of local interest in watershed programs during the past 5 years and especially in the last 2 years. The Soil Conservation Service and the Forest Service have been under continuously heavier pressure from groups of farmers, small towns, industries, and State and local agencies for help in solving various kinds of watershed problems.

The areas in which local groups and organizations are concerned vary in size from the extent of a few farms to watersheds of more than a thousand square miles. In an effort to achieve action based on local initiative, watershed organizations of one form and another are coming into being at a really astonishing rate. Many of these organizations are an outgrowth of or are sponsored and supported by leaders in the soil conservation districts movement.

In order to appraise the extent of this movement, we made an inventory through our field offices in every State in the country in January of this year. Our findings may be of interest to you. At this time there are more than 300 organized watershed associations

and more than 500 informal watershed groups. We have classified organized associations as those having elected officers and boards of directors and by-laws.

Of the organized associations, about 48 percent have legal status of one form or another. The organized associations are well distributed geographically as shown on this map. These 300 watershed organizations cover some 350 million acres and about 1.5 million farms and ranches. Many of them are interested in several objectives, but flood prevention and control are predominant.

Over the past 2 years, the Soil Conservation Service has received about 230 requests for assistance from watershed groups in 43 States, and Puerto Rico, as shown on this map. We have been able to provide only limited assistance in a few areas in response to these requests.

I have other members of my staff and representatives of the Forest Service here who are available to give you such additional information as you may desire concerning watershed surveys, basin investigations and works of improvements.

Mr. ANDERSEN. Thank you very much, Dr. Salter.

At this time we will insert in the record Memorandum No. 1325 dated April 1, 1953, which assigns responsibilities relative to this work.

(The memorandum referred to follows:)

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington 25, D. C., April 1, 1953.

MEMORANDUM NO. 1325—RESPONSIBILITIES FOR THE FLOOD PREVENTION PROGRAM AND RIVER BASIN INVESTIGATIONS

The Secretary of Agriculture is authorized under the Flood Control Act of 1936, as amended and supplemented, to carry out a flood prevention program by making preliminary examinations and surveys and installing works of improvement on the watersheds of specified streams. Also, under the flood control and various other acts, the Department is engaged in general basin investigations and the preparation of reports thereon, including the agricultural phases of comprehensive interdepartmental plans for development and improvement of such basins. To more clearly fix responsibility for these programs, to simplify administration and to promote efficiency, it is hereby directed that:

1. In accordance with policies established by the Secretary, and under overall guidance of the Assistant Secretary, the Soil Conservation Service shall have general responsibility for administration of the work of the Department authorized under the Flood Control Act of 1936 as amended and supplemented. The Service shall be responsible for the formulation and development of appropriate principles, standards, criteria, and rules and regulations for the conduct of the program, and for development of program plans and schedules for the making of preliminary examinations and surveys and for installation of works of improvement.

2. Similarly, the Soil Conservation Service shall have general responsibility for Department activities in connection with the river basin investigations and the preparation of reports thereon.

3. The Forest Service shall have responsibility, under such policies, principles, standards, criteria, and procedures as are or may be established, for the making of preliminary examinations and surveys, the installation of works of improvement in connection with flood control, and the collection of data, necessary to the preparation of comprehensive river basin reports, on:

(*a*) All national forests and other lands in the watershed or basin administered by the Forest Service.

(*b*) Range areas adjacent to national forests in the watershed or basin and used in conjunction with such forests.

(*c*) Other forest lands within the watershed or basin.

The Forest Service shall continue to cooperate and enter into agreements with, and utilize the services of, State forestry agencies for these purposes when State and private forest lands within the watershed or region are affected.

In carrying out the responsibilities delegated herein, the Soil Conservation Service shall utilize the services of the Bureau of Agricultural Economics and other bureaus and agencies within or outside the Department where appropriate and desirable and where such arrangement will avoid the necessity for adding to the staff and functions of the Soil Conservation Service.

The provisions of this memorandum shall become effective April 1, 1953. Except as modified by the provisions of this memorandum, existing Secretary's memoranda, the administrative regulations and other related documents, unless and until changed by the Secretary shall continue in effect.

TRUE D. MORSE, *Under Secretary.*

Mr. ANDERSEN. Do you have any comment on that particular document, Mr. Coke?

Mr. COKE. I think not, other than what I said in my general statement, where I described somewhat the operations.

Mr. ANDERSEN. And under this you have full authority for soil-conservation programs.

Mr. COKE. For the handling of the program.

GENERAL BASIN INVESTIGATIONS

Mr. ANDERSEN. Now, Dr. Salter, I wish you would discuss the work on general basin investigations, and describe how the work is coordinated with other Federal agencies in the same field.

Dr. SALTER. Mr. Chairman, if it is agreeable to you I would like to have Mr. Dykes handle that.

Mr. ANDERSEN. We will be very glad to hear him.

Mr. DYKES. Mr. Chairman, the basin investigations have been authorized in one case by Congress, and by the President in the other. The Arkansas-White-Red Rivers area was authorized by the Congress; the New York and the New England survey, which covers the New England States, and most of New York State, was started under a directive from the President, although there is some basis in the flood-control legislation for the establishment of this basin survey.

The investigations in those two areas are generally following the same plan. The leadership, in preparing the general basin investigations and reports, is in the hands of the Army engineers. The various departments join in; the Department of the Interior, the Department of Agriculture—I believe the Department of Commerce in both cases. There is also participation by the Federal Power Commission and the new Department of Health, Education, and Welfare.

PARTICIPATION BY DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. ANDERSEN. What responsibility do they have, Mr. Dykes?

Mr. DYKES. The new Department is primarily concerned with the health program in connection with the pollution problems. In other words, they are concerned primarily with water pollution problems.

INTERDEPARTMENTAL COORDINATION

Mr. ANDERSEN. Just how is all of this coordinated among the various Federal agencies?

Mr. DYKES. In each case the survey party is under a chairman, provided by the Corps of Engineers, and each department designates one responsible representative. The Corps of Engineers is charged with the responsibility for producing the report. In fact, the Presi-

dent urged the corps to write other agencies to participate in the New England-New York survey, and the corps did ask the departments of Government to participate in the investigation.

The legislative history of the Arkansas-White-Red survey provided for the participation of the other Departments.

Each of the Departments has established a field party at a common headquarters within the watershed. For example, the Soil Conservation Service, the Forest Service, the BAE, the Production and Marketing Administration, Agricultural Research Administration, Extension Service, credit agencies, and REA, have all been a part of the Department field party, developing data which they recommend to the overall committee. We have only one member on this interagency committee.

PROGRESS ON THE ARKANSAS-WHITE-RED RIVER AND THE NEW ENGLAND-NEW YORK AREA PROGRAMS

Mr. ANDERSEN. Will you describe for the record the work now going on in the Arkansas-White-Red River and the New England-New York area? Why is the Arkansas-White-Red River work proceeding at a faster rate than the New York-New England area work?

Mr. DYKES. In many ways, Mr. Andersen, I think the program recommendations in the New York-New England area are going forward, so far as the various agencies of this Department are concerned, at a little faster rate than in the Arkansas-White-Red River area. I do not believe there is too much difference in the progress of recommendations that have been made in each, but if any, it seems to be in favor of the New England-New York area. The recommendations from the Department have not been completed for either basin.

RELATIONS WITH CORPS OF ENGINEERS

Mr. ANDERSEN. How is your coordination with the Army engineers on these two projects? Has it been satisfactory?

Mr. DYKES. Well, it has been a rather pleasant working relationship.

Mr. ANDERSEN. Has it been satisfactory?

Mr. DYKES. At the moment, the coordinating part of it is ahead of us. So far, we have been collecting the data and developing our program recommendations. During the next fiscal year we will face the pulling together and writing of a coordinated report. That is when the negotiations will take place on including the program the Department of Agriculture really thinks belongs in these reports. Of course, we will defend our position as well as we can but our recommendations will be, we presume, handled by the overall committee which will determine whether or not various recommendations are accepted. In the end, if the conflicts cannot be resolved by the overall committee we presume that the decisions will be made by the Corps of Engineers, since they have the responsibility for the report.

Mr. ANDERSEN. My question was this: Is the coordination with the Corps of Engineers satisfactory?

Mr. DYKES. We cannot tell, because we are not at the coordinating stage.

Mr. ANDERSEN. But so far as you have gone, does the corps cooperate with you fully?

Mr. DYKES. Well, I would say that there are differences of opinion as to how things ought to be done. Any time you get technicians together with different viewpoints, such as we have with the corps, with regard to some of these items, you can have difficulty.

Mr. ANDERSEN. Can you not answer yes or no as to whether those relations have been satisfactory?

Mr. DYKES. Relations, in general, have been satisfactory. There are differences of opinion which are not resolved, and which we do not know whether we can resolve. We are not really up to the point where we have to resolve them.

Mr. ANDERSEN. Perhaps, you can put an answer to that in the record, after due thought.

Mr. DYKES. I would be glad to think that one over, Mr. Andersen.

(The information requested follows:)

RELATIONS WITH THE CORPS OF ENGINEERS

In many areas cooperation between the Soil Conservation Service and the Corps of Engineers has been eminently satisfactory. The two agencies have developed excellent arrangements, for example, in coordinating their work in the Yazoo and Tallahatchie River Basins; definite lines of responsibility have been established that are fully satisfactory to both agencies and to all local people concerned. Likewise, excellent cooperation has been established, to the extent that Service resources have permitted, in working out relations in the field of major drainage outlets for which the Corps of Engineers is responsible, and agricultural drainage for which this Service is responsible. In more than half of the watersheds in the country there appears to be little likelihood of any program conflicts between watershed works of improvement and projects for flood control and navigation on the main rivers.

On the other hand, certain basic conflicts admittedly do exist in some watersheds. These have been highlighted in the Arkansas-White-Red River Basin investigations; in the Salt-Wahoo watershed in Nebraska, and in a few other areas. These conflicts have at times been made to appear as though they revolved around differences in technical evaluation procedures with respect to damage appraisals and hydrology or flood routing. We believe such technical differences, to the extent that they exist, can be readily resolved. In our opinion, the fundamental conflict is one of policy which may have to be resolved at some level above the agencies.

As indicated in Dr. Salter's statement, the Soil Conservation Service believes that Congress has assigned the Department of Agriculture coordinate responsibilities with the Corps of Engineers under the flood control acts. The Service believes that the assignment of responsibilities requires the development of programs for runoff and waterflow retardation and soil erosion prevention for the purpose of flood damage abatement, as well as downstream improvements of major rivers for flood control. We do not interpret the law as giving improvements on major rivers priority over watershed programs nor vice versa with respect to alleviation of the flood problem. We believe the fasic difference in policy of the two agencies is that the Corps of Engineers endeavors to design improvements to protect against maximum floods of record, or even greater floods, on the major rivers; whereas the Department of Agriculture endeavors to design programs that give only the degree of flood protection that is sufficient to encourage full productive use of agricultural lands and to maximize benefits.

We readily concede, and always have, that watershed programs cannot be expected to have a very significant effect on great floods in the main river valleys, that is, the kind of flood that occurred on the Kansas River in 1951, or on the Missouri River in 1952. On the other hand, we do believe that a large volume of evidence points to the highly significant effect of watershed programs in reducing average annual floodwater damages; and that most of the smaller and more frequent floods which cause most of the damage in headwater tributaries can be controlled, to a large extent, through watershed programs.

Another fundamental difference with the Corps of Engineers probably does exist. We believe that the land treatment job should be the first element in flood damage reduction; that its effect should be evaluated and deducted first.

Secondly, we believe that such floodwater retardation as can be achieved through small upstream structures above alluvial flood plain lands (those that can be justified after the effects of the land treatment program are deducted) should be evaluated next, and that the benefits from these should be deducted. Then, thirdly, we believe that the remaining damages coming mainly from the larger floods should constitute the basis for justifying main stem flood-control reservoirs.

We doubt that watershed programs in very many instances would have any effect on justification of local protection works around urban areas, such as levees and flood walls. For the most part, the conflict arises with respect to major flood-control reservoirs such as those that are currently being proposed in a number of midwestern watersheds. Unfortunately, the Department of Agriculture has not been provided with either specific authorization or the funds necessary to make evaluations of the effects of its proposed watershed programs down in the main river valleys below the sites of authorized major flood-control reservoirs. For example, we cannot, with the limited funds appropriated for our participation in the Arkansas-White-Red investigation, determine the effects the watershed program would have down in the main river valleys. We are therefore not in a position to say how much remaining damage there would be as a base for justification of major flood-control reservoirs. Local protection works, in most cases, however, can be fully justified in addition to United States Department of Agriculture watershed programs.

Of course, if a major-flood-control reservoir is planned or authorized, it has the effect of controlling not only the major floods but all the minor ones as well in the main valleys below these dams—minor floods which could perhaps be substantially reduced or eliminated by watershed programs. The economic justification used for the major reservoir, therefore, depends on the benefits from control not only of the major floods but of all the minor ones as well.

This is an example of the kind of fundamental policy consideration with respect to planning programs for flood damage abatement that has, in our opinion, led to differences of opinion in some areas with the Corps of Engineers. We stand ready to do everything we can to eliminate such differences if the Corps of Engineers will accept this Department as having coordinate responsibility in the flood prevention and control field. As I have said before, we believe that in a majority of the watersheds of the country no real program conflicts would exist if evaluations were made on this basis, and that projects proposed by both agencies would be fully justified. We do believe that there is a need to back up and take a second look in some watersheds such as the Arkansas-White-Red basin. Perhaps this could be best accomplished by an independent commission or a board of consultants who would be qualified to review the proposals of the several agencies engaged in this investigation.

PLANS FOR COLORADO RIVER BASIN

Mr. ANDERSEN. What do you propose in the Colorado River Basin?

Mr. DYKES. Well, under the agreements that we have reached, we have abandoned our plans for proceeding in the Colorado Basin, since no funds were set up in the revised 1954 budget for this area.

PRELIMINARY EXAMINATIONS AND SURVEYS

Mr. ANDERSEN. How many preliminary examinations and surveys have been authorized by the Congress to date?

Mr. DYKES. Approximately 1,100.

Mr. ANDERSEN. How many have you completed?

Mr. DYKES. I believe 139 preliminary examinations and surveys have been completed.

Mr. ANDERSEN. That is out of approximately 1,100 that have been authorized?

Mr. DYKES. However, I do not believe, Mr. Andersen, that quite reflects the true situation. The area covered by preliminary examinations and surveys, with 139 out of approximately 1,100 would

indicate that something better than 70 percent of all of the land in the United States has been covered out of a possible 99 percent authorized for preliminary examinations and surveys.

I think this information which I have here covers this question. It does answer most of the questions concerning the survey program to date.

Mr. ANDERSEN. I think it is well to put that in the record.

(The information referred to is as follows:)

STATUS OF PRELIMINARY EXAMINATIONS AND SURVEYS FOR RUNOFF AND WATERFLOW RETARDATION AND SOIL-EROSION PREVENTION, UNITED STATES DEPARTMENT OF AGRICULTURE AS OF MARCH 1, 1953

Under the Flood Control Act of June 22, 1936 (49 Stat. 1570), as amended and supplemented, the Congress has authorized and directed the Secretary of Agriculture to make more than 1,100 investigations of watersheds. Approximately 1,070 of these were survey authorizations, and 33 were reviews of surveys requested by the Committees on Public Works of the House or Senate.

Many of the authorizations are overlapping; therefore, a single survey may cover numerous authorizations. For example, 87 separate surveys have been authorized within the Arkansas-White-Red Rivers watershed, all of which are included in the single authorization of the Flood Control Act of 1950. Similarly, the report now before the Congress on a survey of the Delaware River watershed in New York, Pennsylvania, and Maryland, an area of less than 13,000 square miles, covers 22 authorizations. Furthermore, numerous authorizations were repeated two or more times in subsequent flood-control acts. A survey of the Fox River watershed, Wisconsin, for instance, was authorized in the Flood Control Acts of 1936, 1937, and 1946.

Under the flood-control acts, the Secretary of Agriculture is authorized and directed to make preliminary examinations and surveys for runoff and waterflow retardation and soil-erosion prevention on the watersheds of all waterways for which the Corps of Engineers has been authorized to make preliminary examinations and surveys for the control of floods. But for many waterways the Corps of Engineers has been authorized to conduct investigations for local protection works at numerous points along the stream. This accounts for many of the overlapping authorizations for surveys of watersheds to be made by the Department of Agriculture.

As of March 1, 1953, the status of the Department of Agriculture's survey work is as follows:

Reports submitted to the Congress	61
Reports under review	22
Surveys in progress	26
Subtotal	109
Preliminary examination reports completed but surveys not yet started	30
Total	139

These 139 reports represent 760 authorizations, or 71 percent of the 1,070 authorizations for surveys. The total area of the watersheds covered by these reports is 70.9 percent of the area of continental United States.

The attached tables present detailed information concerning the authorizations for each survey. To aid in clarifying the relation between the number of surveys and authorizations, a separate table is provided for the 33 review resolutions directing the Department to resurvey watersheds for which reports on surveys had been submitted.

STATUS OF PRELIMINARY EXAMINATIONS AND SURVEYS
March 1, 1953
Not Covered by Preliminary Examinations or Surveys
29.0
Preliminary Examinations Completed Survey Not Started
7.5
Surveys in Progress
40.8
Reports Under Review
6.7
Reports Submitted to the Congress
16.0
AUTHORIZATIONS
Not Authorized (Estimated 15)
28.1
5.8
32.7
5.9
26.4
0
ARBA
Percent of Total Number of Authorizations
Percent of Total Area of U.S.A.

Progress report on preliminary examinations and surveys authorized under the flood control acts, Mar. 1, 1953

Section	Status	Number of reports	Authorizations		Area	
			Number	Percent of total	Square miles	Percent of United States of America [1]
I	Reports submitted to the Congress:					
	A. Authorized by the Congress	11	14	1.3	65,444	2.2
	B. Negative survey reports	7	6	0.6	17,970	0.6
	C. Negative reports on preliminary examinations.	30	32	3.0	85,497	2.8
	D. Pending congressional action	[2] 13	119	11.1	[3] 628,650	20.8
	Subtotal	61	171	16.0	797,561	26.4
II	Reports under review	22	72	6.7	178,304	5.9
	Subtotal	83	243	22.7	975,865	32.3
III	Surveys in progress	26	437	40.8	989,847	32.7
	Subtotal	109	680	63.5	1,965,712	65.0
IV	Preliminary examinations completed, survey not started.	30	80	7.5	175,633	5.8
	Subtotal	139	[4] 760	71.0	2,141,345	70.9
V	Authorizations not covered by preliminary examinations or surveys.		310	29.0	[5] 850,255	28.1
	Total		1,070	100.0	2,991,600	99.0

[1] Area of continental United States taken as 3,022,387 square miles.
[2] Does not include Supplemental Report, Missouri River Basin Agricultural Program. See "Progress Report on Review Resolutions."
[3] Actual area of reports pending action in Congress is 665,260 square miles, the difference in area is included in secs. IB and IC.
[4] Does not include authorizations not completely covered.
[5] Estimated.

I. *Reports submitted to the Congress*

A—AUTHORIZED BY THE CONGRESS

Item	Survey report	Area covered	Date submitted to the Congress	H. Doc. No.	Date of congressional authorization	Authorizations: Number	Authorizations: Name and location	Flood Control Act: Year	Flood Control Act: Section
		Square miles							
1	Buffalo Creek	437	Apr. 28, 1944	574	Dec. 22, 1944	2	Buffalo Creek, N. Y.	1937	3
							Cayenovia Creek, N. Y.	1937	3
							Colorado River and tributaries, Texas	1937	3
						(1)	Coosa River and tributaries, Georgia	1936	6
2	Colorado, Middle	[2] 4,020	Aug. 9, 1943	270	do	1	Little Sioux, Iowa and Minn.	1937	5
3	Coosa	[2] 4,502	June 8, 1943	236	do	1	Yazoo River and tributaries, Mississippi	1937	3
4	Little Sioux	1,355	Aug. 9, 1943	268	do	(1)	Los Angeles River and tributaries, California	1936	3
5	Little Tallahatchie	839	Nov. 30, 1942	892	do	2	Los Angeles River and tributaries, in Los Angeles County, Calif	1937	6
6	Los Angeles		Nov. 23, 1941	426	do		Los Angeles River and tributaries, Virginia, West Virginia, Maryland, Pennsylvania	1936	6
7	Potomac	11,560	Aug. 9, 1943	269	do	3	Potomac River and branch of and its tributaries in vicinity of Keyser, W. Va.	1937	5
							Occoquan Creek, Va.	1937	3
							Santa Ynez River and tributaries, California	1938	6
8	Santa Ynez	900	Mar. 23, 1944	518	do	1	Trinity River, Tex.	1936	6
9	Trinity	[4] 17,634	Apr. 3, 1942	708	do	1	Washita River, Okla., Tex.	1937	5
10	Wachita	8,108	Sept. 7, 1943	275	do	2	Purdy Reservoir on Rush Creek, Okla.	1939	6
							Yazoo River and tributaries, Mississippi	1937	3
11	Yazoo	8,900	Apr. 27, 1944	564	do	1			
	Total	65,444				14			

B—NEGATIVE SURVEY REPORTS

1	Billings Area, Montana	445	Jan. 20, 1943			(1)	Missouri River and tributaries	1937	3
2	Cordorus Creek	277	Dec. 9, 1941			(1)	Susquehanna River, Pa., N. Y.	1936	6
3	Muskingum	8,038	Feb. 9, 1943			2	Muskingham River and tributaries, Ohio	1938	6
							Mohican River ditch from Lake Fork, Ohio, south a distance of 8 miles, Ohio.	1937	3
		1,300	Jan. 16, 1943					1936	6
4	Pajaro					2	Pajaro River in San Benito County, Calif.	1937	5
		1,310	May 5, 1943				Pajaro River, Calif.	1937	3
5	St. Francis	4,940	do			(1)	Mississippi River, tributaries of	1936	6
6	Susquehanna, Upper					2	Troghnioga River, N. Y.	1936	6
		1,660	Jan. 16, 1943				Chenango River, N. Y.	1936	6
7	Wolf Creek					(1)	Susquehanna River, N. Y., Pa.	1937	3
						(1)	Arkansas River and tributaries, Colorado, Arkansas, Oklahoma, and Kansas.		
	Total	17,970				6			

[1] Authorization not completely covered. Only a part of the authorized area was surveyed.

[2] 810 square miles not recommended for works of improvement included in this figure.

[3] 1,479 square miles not recommended for works of improvement included in this figure.

[4] 4,728 square miles not recommended for works of improvement included in this figure.

1. *Reports submitted to the Congress*—Continued

C—NEGATIVE REPORTS ON PRELIMINARY EXAMINATIONS

Item	Preliminary examination	Area covered	Date completed	Authorizations			
				Number	Name and location	Flood Control Act	
						Year	Section
		Sq. miles					
1	Bill Williams, Ariz	5,500	September 1942				
				2	Bill Williams River	1937	5
					Big Sandy River from junction of Trout Creek to Knight Creek on the north to the Bill Williams River on the south.	1937	5
2	Blackstone and Seekonk, Mass., R. I	540	December 1938	2	Blackstone River, Mass., and R. I		
					Seekonk River, R. I	1936	6
3	Cannonball and Grand, N. Dak., S. Dak	10,000	August 1942	2	Cannonball River, N. Dak	1936	6
					Grand River, S. Dak	1937	3
4	Carson, Calif. and Nev	3,080	do	1	Carson River and tributaries	1937	3
5	Dry Cimarron, N. Mex	1,010	do	1	Dry Cimarron River in Union County	1938	6
6	Heart, N. Dak	3,400	do	(1)	Missouri River and tributaries	1936	6
7	Knife, N. Dak	2,625	April 1941	1	Knife River and tributaries	1937	3
8	Little Kanawha, W. Va	2,320	August 1940	1	Little Kanawha	1939	6
9	Little Missouri, Wyo., S. Dak., N. Dak., Mont	9,500	December 1942	1	Little Missouri	1937	3
10	Loosahatchie, Tenn	680	June 1942	(1)	Mississippi River, tributaries of	1937	3
11	Lowell Creek, Alaska	[2] 5	December 1938	2	Lowell Creek	1936	6
					Do	1936	6
12	Major Long's Creek, Tex., N. Mex	3,780	March 1943	(1)	South Canadian River	1937	5
13	Moreau, S. Dak	5,400	August 1942	1	Moreau River	1936	6
14	Nonconnah Creek, Tenn., Miss	200	June 1942	(1)	Mississippi River, tributaries of	1937	3
15	North and Middle Fabius, Mo., Iowa	937	August 1942	(1)	Fabius River	1936	6
16	Passaic, N. J	936	July 1939	1	Passaic	1936	6
17	Pequest, N. J	156	February 1941	1	Pequest River and tributaries in Warren and Sussex Counties.	1936	6
						1939	6
18	Saginaw, Mich	6,300	August 1942	1	Saginaw River		
19	Sebewaing, Mich	125	June 1942	1	Sebewaing River	1936	6
20	Souris, N. Dak	8,500	July 1942	1	Souris River	1936	6
21	South Canadian above Conchas Dam, N. Mex	7,644	August 1942	1	South Canadian above Conchas Dam	1936	6
22	Tanana River and Chena Slough, Alaska	[3] 23,050	April 1939	2	Tanana River	1937	3
					Chena Slough	1936	6
23	Tillamook Bay watersheds, Oregon	574	October 1942	5	Kilchis River	1936	6
					Miami River	1936	6
					Tillamook River	1936	6
					Trask River	1936	6
					Wilson River	1936	6

24	Truckee, Calif., Nev.	2,015	August 1942	1	Truckee River and tributaries	1938	6
25	Turkey, Iowa	1,696	May 1942	1	Turkey River	1937	5
26	Turtle River and tributaries, Pennsylvania	147	February 1941	(1)	Monongahela River and tributaries	1936	6
27	Umatilla, Oreg.	2,290	August 1942	(1)	Columbia River and tributaries	1936	6
28	Walker, Calif.	3,940	June 1940	1	Walker River and tributaries	1938	6
29	Weiser, Idaho	1,670	May 1943	1	Weiser River	1937	3
30	Weldon, Mo., Iowa	580	July 1942	1	Weldon River	1936	6
	Total	[2] 85,497		32			

[1] Authorizations not completely covered.
[2] Area of Lowell Creek, Tanana River and Chena Slough in Alaska not included in the totals as they are outside of the continental United States.

I. *Reports submitted to the Congress*—Continued

D—PENDING CONGRESSIONAL ACTION

Item	Survey report	Area covered	Date submitted to the Congress	House Document No.	Number of authorizations[1]
		Square miles			
1	Brazos, Tex	41,997	Mar. 10, 1952	396	5
2	Delaware, N. Y., Pa., Md	[2] 12,605	Mar. 19, 1952	405	22
3	Grand (Neosho), Mo., Kans., Ark., Okla	12,660	Feb. 27, 1952	388	5
4	Green River, Ky., Tenn	9,273	Oct. 19, 1952	261	9
5	Missouri, Mont., Wyo., Colo., N. Dak., S. Dak., Nebr., Kans., Minn., Iowa, Mo	[3] 483,183	Sept. 29, 1949	373	63
6	Pecos, N. Mex., Tex	33,200	May 26, 1952	475	2
7	Pee Dee, Va., N. C., S. C	6,870	Mar. 10, 1952	395	2
8	Queen Creek, Ariz	880	do	397	1
9	Savannah, N. C., S. C., Ga	10,579	Sept. 30, 1952	40	2
10	Scioto, Ohio	6,510	Mar. 19, 1952	409	1
11	Sevier Lake, Utah	8,389	do	406	[4]
12	Sny, Ill	742	Mar. 10, 1952	398	4
13	Youghiogheny, Pa., Md	1,762	Oct. 13, 1952	39	3
	Total	628,650			119

[1] Name and location of authorizations shown on the following pages.
[2] Delaware (12,763) minus Pequest (158) equals 12,605 square miles, see sec. IC.
[3] Missouri (519,635) minus Little Sioux (4,502) minus Billings area (445) minus Cannonball and Grand (10,000) minus Heart (3,400) minus Knife (2,625) minus Little Missouri (9,500) minus Moreau (5,400) minus Weldon (580) equals 483,183 square miles, see sec. IA, IB, and IC.
[4] Authorization not complete by covered.

Authorizations covered by survey reports pending congressional action (item II)

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
1	Brazos River, Tex.:		
	(1) Brazos River	1937	3
	(2) Allens Creek	1937	3
	(3) Brazos River and tributaries	1937	5
	(4) Leon River	1936	6
	(5) Mill Creek in Austin County	1937	3
2	Delaware:		
	(1) Beaverkill Creek, N. Y	1936	6
	(2) Beaverkill River, Sullivan County, N. Y	1936	6
	(3) Delaware River and tributaries, New York, New Jersey, Pennsylvania, Delaware, Maryland	1937	3
	(4) Delaware River, East Branch, Sullivan County, N. Y	1936	6
	(5) Delaware River, N. Y	1936	6
	(6) Delaware River, Tinicum Township, Pa	1936	6
	(7) Delaware River	1937	5
	(8) Delaware River and tributaries, Morrisville, Bucks County, Pa	1939	6
	(9) Frankford Creek, Philadelphia County, Pa	1938	6
	(10) Lackawanna River, Pa	1936	6
	(11) Lehigh River, Pa	1937	3
	(12) Neshaminy Creek, Pa	1937	3
	(13) Neshaminy Creek, Bucks County, Pa	1939	6
	(14) Neversink Creek, Ulster County, N. Y	1936	6
	(15) Neversink River, N. Y	1937	3
	(16) Perkiomen Creek, Pa	1937	3
	(17) Rondout Creek, Ulster County, N. Y	1937	3
	(18) Rondout Creek, N. Y	1936	6
	(19) Schuylkill River and tributaries, Pennsylvania	1946	11
	(20) Shohola Creek, Pa	1937	3
	(21) Tohickon Creek, Pa	1937	3
	(22) Willowemoc River, Sullivan County, N. Y	1936	6
3	Grand (Neosho):		
	(1) Grand (Neosho) River and tributaries, Oklahoma	1937	5
	(2) Grand River, tributary of the Arkansas, Okla	1937	3
	(3) Lost Creek, at and near Seneca, Mo	1946	11
	(4) Morris County on Grand (Neosho) River, Kans	1936	6
	(5) Markham Ferry Reservoir, Okla	1936	6

Authorizations covered by survey reports pending congressional action (item II)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
4	Green River:		
	(1) Barren River, Ky	1937	3
	(2) Barren River, vicinity of Barren No. 2 dam, Kentucky and Tennessee	1941	4
	(3) Green River, Ky	1937	3
	(4) Mud Creek, Ky	1937	3
	(5) Mud River, Ky	1936	6
	(6) Nolin River and tributaries, Ky	1936	6
	(7) Pond River, Ky	1937	3
	(8) Rough River and tributaries, Ky	1936	6
	(9) Rough River, Ky	1937	3
5	Missouri River:		
	(1) Missouri River and tributaries, North Dakota, South Dakota, Wyoming, Montana, Nebraska, Kansas, Colorado	1937	3
	(2) Missouri River, near Elk, S. Dak	1937	3
	(3) Bad River, S. Dak	1937	3
	(4) Bad River from Phillip to Fort Pierre, S. Dak	1937	5
	(5) Beaver Creek, Kans., Nebr	1938	6
	(6) Big Blue and its tributaries, Kansas, Nebraska	1936	6
	(7) Big Horn River and tributaries, Wyoming	1936	6
	(8) Big Sioux River, Iowa, S. Dak., Minn	1937	3
	(9) Belle Fourche River and tributaries, Wyoming	1936	6
	(10) Boyer River, Iowa	1937	5
	(11) Brule River, Minn	1937	3
	(12) Chariton River in Schuyler County, Mo	1937	5
	(13) Chariton River, Iowa	1937	5
	(14) Chariton River, Mo	1938	6
	(15) Chariton River and tributaries, Iowa, Missouri	1946	11
	(16) Cherry Creek and tributaries, Colorado	1937	5
	(17) Cheyenne River, Mont., Nebr., S. Dak	1937	3
	(18) Cuivre River, Mo	1937	3
	(19) Elkhorn River and tributaries, Nebraska	1944	11
	(20) Floyd River, Iowa	1937	5
	(21) Gallatin River, Mont	1937	3
	(22) Gasconade River, Mo	1937	3
	(23) Goose River and tributaries, North Dakota	1939	6
	(24) Grand River and tributaries, Missouri	1938	6
	(25) James River N. Dak. and S. Dak	1937	3
	(26) Jefferson River, Mont	1937	3
	(27) Kansas Citys on Missouri and Kansas Rivers, Mo. and Kans	1936	6
	(28) Kansas River, Colo., Kans., Nebr	1937	3
	(29) Kansas River, minor tributaries, Colorado, Kansas, Nebraska	1937	3
	(30) Keyapaha River, S. Dak	1937	5
	(31) Lawrence and vicinity on Kansas River, Kans	1936	6
	(32) Little Osage, Kans	1937	5
	(33) Lower Grand River (erosion and bank caving), Missouri	1946	11
	(34) Madison River, Mont	1937	3
	(35) Manhattan, on Kansas River, Kans	1936	6
	(36) Marias River, Mont	1937	3
	(37) Marais des Cygnes River, Kans	1936	6
	(38) Marmaton River, Kans	1936	6
	(39) Milk River, Mont	1937	3
	(40) Moreau River, S. Dak	1944	11
	(41) Musselshell River, Mont	1937	3
	(42) Niobrara River, Nebr., Wyo	1937	3
	(43) Nishnabotna River, Iowa	1937	5
	(44) North Lawrence and vicinity on Kansas River, Kans	1936	6
	(45) North Platte River and tributaries, Wyoming	1936	6
	(46) Osage River, Mo., Kans	1937	3
	(47) Osage River, Mo., Kans	1944	11
	(48) Perry Creek, Iowa	1938	6
	(49) Platte River, Wyo., Nebr., Colo	1937	3
	(50) Platte River in vicinity of Schuyler, Nebr	1937	5
	(51) Powder River, Wyo	1936	6
	(52) Republican River, Nebr., Kans	1936	6
	(53) Republican River, Nebr., Kans	1938	6
	(54) Sappa Creek, Kans., Nebr	1938	6
	(55) Shoshone River, North and South Fork and their tributaries, Wyoming	1941	4
	(56) Smoke Hill River, Kans	1936	6
	(57) Snake River and tributaries, Wyoming	1936	6
	(58) Soldier River, Iowa	1938	6
	(59) South Platte River and tributaries, Colorado, Wyoming, Nebraska	1949	6
	(60) White River, S. Dak	1937	5
	(61) Wray, Colo	1938	6
	(62) Yellowstone River, Pa	1936	6
	(63) Yellowstone River, Pa	1937	5

Authorizations covered by survey reports pending congressional action (item II)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
6	Pecos, Tex. and N. Mex:		
	(1) Pecos River	1937	3
	(2) Pecos River and tributaries	1938	6
7	Pee Dee:		
	Pee Dee River, portion, North Carolina, South Carolina [1]	1937	3
	(1) Little Pee Dee River, S. C	1936	3
	(2) Yadkin, N. C	1937	3
8	Queen Creek, Ariz.:		
	(1) Queen Creek	1936	6
9	Savannah:		
	(1) Savannah River, Ga	1936	6
	(2) Savannah River, N. C., S. C., Ga	1937	3
10	Scioto, Ohio:		
	(1) Scioto River and tributaries	1937	5
11	Sevier Lake, Utah and Nev.:		
	Great Basin, streams drawing into [1]	1938	6
12	Sny, Ill.:		
	(1) Bay Creek and tributaries, Pike County	1938	6
	(2) Kaiser Creek and tributaries, Pike County	1938	6
	(3) McCraney Creek and tributaries, Pike County	1938	6
	(4) Six Mile Creek and tributaries, Pike County	1938	6
13	Youghiogheny:		
	(1) Youghiogheny River, Pa	1936	6
	(2) Youghiogheny River watershed above Dawson, Pa	1937	5
	(3) Youghiogheny River Basin, Pa., Md	1944	11

II. Reports under review

Item	Survey report	Area covered (square miles)	Number of authorizations [1]
1	Apalachicola	19,730.0	3
2	Boise	4,134.0	1
3	Connecticut	11,260.0	5
4	Cuyahoga	810.0	1
5	East Fork of White and Patoka	6,630.0	1
6	East Willow Creek	37.5	[2]
7	Fountain Creek	927.0	2
8	Kentucky	6,935.0	2
9	Lost Creek, Mo	14.0	[2]
10	Lower Arkansas	17,549.0	22
11	Mojave, part of Wrightwood	13.0	[2]
12	Rio Grande	52,419.0	1
13	Roanoke	9,580.0	2
14	Russian	1,508.0	1
15	Salinas	4,875.0	3
16	San Gabriel-Santa Ana	3,183.0	12
17	Santa Clara-Ventura-Calleguas Creek	2,173.0	4
18	Trinity review and San Jacinto	[3] 5,368.0	5
19	Virgin	17,233.0	3
20	Walla Walla	1,800.0	1
21	Wasatch front	2,254.0	[2]
22	White River watershed above Norfork, Ark	9,872.0	[2]
.....	Washita review [4]	[4]	3
	Total	178,304.5	72

[1] Name and location of authorizations shown on the following pages.
[2] Authorizations not completely covered.
[3] Area of San Jacinto.
[4] Area previously reported, see sec. IA, report listed here to show authorizations covered under the flood control act.

Authorizations covered by survey reports under review (sec. II)

Item	Survey report and authorizations covered	Flood Control Act	
		Year	Section
1	Apalachicola River:		
	(1) Apalachicola River and tributaries, Alabama, Florida, Georgia	1937	3
	(2) Chipola River, Ala., Fla	1944	11
	(3) Chipola River, Ala., Fla	1937	3
2	Boise River, Idaho:		
	(1) Boise River	1938	6
3	Connecticut River:		
	(1) Connecticut River, Mass., N. H., Vt., Conn	1936	6
	(2) Connecticut River, Mass., N. H., Vt., Conn	1937	5
	(3) Connecticut River below the Hatfield town line, above Coolidge Bridge and The Narrows at Mount Tom, Mass	1939	6
	(4) Chicopee River, Mass	1937	5
	(5) Westfield River (Knightville Reservoir), Mass	1946	11
4	Cuyahoga:		
	(1) Cuyahoga River and tributaries, Ohio	1941	4
5	East Fork of White and Patoka (Indiana):		
	(1) Lost River and tributaries in the vicinity of Orleans, Ind	1938	6
6	East Willow Creek, interium on upper Mississippi River [1]	1937	3
7	Fountain Creek, Colo.:		
	(1) Fountaine Qui Boville River and tributaries	1937	5
	(2) Fountaine Qui Boville River	1938	6
8	Kentucky River, Ky.:		
	(1) Hickman Creek	1937	3
	(2) Kentucky River and tributaries	1939	6
9	Lost Creek, Mo., interium on upper Mississippi River [1]	1937	3
10	Lower Arkansas:		
	(1) Arkansas River vicinity of Little Rock and North Little Rock, Ark	1936	6
	(2) Arkansas River in Sequoyah and Haskell Counties, Okla	1937	5
	(3) Arkansas River above Pine Bluff, control of caving banks near Hensley Bar and McFadden Place in Jefferson County, Ark	1944	11
	(4) Cadron Creek, Ark	1938	6
	(5) Dirty Creek, Muskogee County, Okla	1939	6
	(6) Fort Gibson Reservoir, Okla	1936	6
	(7) Fourche Bayou, vicinity of Little Rock and North Little Rock, Ark	1936	6
	(8) Fourche La Fave River, in Perry, Yell, and Scott Counties, Ark	1937	5
	(9) Fourche La Fave River, Ark	1937	3
	(10) Illinois Bayou, Pope County, Ark	1937	5
	(11) Illinois River, Arkansas, Oklahoma	1937	3
	(12) Mannford Reservoir, Okla	1936	6
	(13) Palorm Creek, Faulkner and Pulaski Counties, Ark	1937	5
	(14) Paint Remove Creek, Ark	1936	6
	(15) Polecat Creek, Creek County, Okla	1941	4
	(16) Poteau River, Ark	1936	6
	(17) Poteau River, Ark	1937	5
	(18) San Bois Creek, Haskell and Latimer Counties, Okla	1937	5
	(19) Six Mile Creek, in Logan County, Ark	1938	6
	(20) Tenkiller Ferry Reservoir on Illinois River, Okla	1936	6
	(21) Tulsa and West Tulsa levees on Arkansas River, Okla	1936	6
	(22) Wister Reservoir, Okla	1936	6
11	Mojave, part of Wrightwood: Part of Mojave River, Calif.[1]	1937	5
12	Rio Grande:		
	Portion of Rio Grande and Pecos Rivers and tributaries above point of confluence, Colorado, New Mexico, Texas	1937	Aug. 28
	(1) Rio Grande and tributaries, New Mexico	1941	4
13	Roanoke River, Va., N. C.:		
	(1) Roanoke-Staunton River	1937	3
	(2) Smith River and tributaries	1938	6
14	Russian River, Calif.: (1) Russian River	1937	5
15	Salinas River, Calif.:		
	(1) Salinas River in Monterey County	1936	6
	(2) Salinas River	1937	5
	(3) San Antonio Creek	1937	5

[1] Authorizations not completely covered.

Authorizations covered by survey reports under review (sec. 11)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
16	San Gabriel-Santa Ana, Calif.:		
	(1) Banning Canyon, San Bernardino and Riverside Counties	1937	5
	(2) Bautiste Creek, Riverside County	1937	5
	(3) Bear Creek	1936	6
	(4) Chino Creek	1937	5
	(5) Cucamonga Creek	1937	5
	(6) Lytle Creek in San Bernardino Canyon	1937	5
	(7) Santa Ana River and tributaries	1937	5
	(8) Santa Ana River and tributaries in San Bernardino and Riverside Counties	1937	5
	(9) San Gabriel River and tributaries	1936	6
	(10) San Gabriel River and tributaries in Los Angeles County	1937	5
	(11) San Jacinto River in Riverside County	1937	5
	(12) Waterman Canyon in San Bernardino County	1937	5
17	Santa Clara-Ventura and Calleguas Creek, Calif.:		
	(1) San Francisquito Creek, San Mateo and Santa Clara Counties	1941	4
	(2) Santa Clara River	1937	5
	(3) Ventura Harbor	1936	6
	(4) Ventura River, Ventura County	1937	5
18	Trinity review and and San Jacinto, Tex.:		
	(1) San Jacinto River and tributaries in Montgomery, Walker, San Sacinto, Grimes, Waller, Liberty, and Harris Counties	1937	5
	(2) Buffalo Bayou	1936	6
	(3) Cypress Creek, Harris County	1946	11
	(4) Texas, area at and in the vicinity of Texas City	1948	204
	(5) Texas, streams flowing through the Brazoria, Galveston Soil Conservation District, the Trinity Bay Soil Conservation District, Coastal Plains Soil Conservation District, and the Matagorda County Soil Conservation District	1948	204
19	Virgin:		
	(1) Beaver Dam, Wash., Nev., Ariz., Utah	1938	6
	(2) Short Creek, Ariz., Utah	1938	6
	(3) Virgin River and tributaries, Nevada, Arizona, Utah	1938	6
20	Walla Walla, Wash.:		
	(1) Walla Walla River and tributaries	1936	6
21	Wasatch front, Utah:		
	Great Basin, streams drawing into [1]	1938	6
22	White River watershed above Norfork, Ark.:		
	White River, Ark., Mo.[1]	1937	3
	Washita (review), Okla., Tex.:		
	(1) Big Canyon, Murray County, Okla	1944	11
	(2) Saddle Mountain, Okla	1944	11
	(3) Turkey Creek, Okla	1944	11

[1] Authorizations not completely covered.

III. Surveys in progress

Item	Survey report	Area covered (square miles)	Number of authorizations [2]
1	Allegheny, N. Y., Pa	11,700	8
2	Altamaha-Ogeechee, Ga	19,008	5
3	Arkansas-White-Red, Ark., Kans., La., Mo., Okla., Tex., N. Mex., Colo.	[3] 216,740	87
4	Colorado (Gila only), N. Mex., Ariz	45,430	7
5	Colorado, Tex	[4] 24,282	3
6	Columbia, Utah, Wyo., Mont., Wash., Oreg., Idaho, Nev	[5] 254,200	70
7	Cumberland, Ky., Tenn	17,700	6
8	Hatchie and Wolf, Miss., Tenn	3,290	3
9	Homochitto-Buffalo, Miss	1,602	(1)
10	Kickapoo, Wis	768	1
11	Licking, Ky	3,672	2
12	Merrimack, Mass., N. H	5,015	2
13	Mississippi, upper, Indiana, Missouri, Iowa, Minnesota, South Dakota, Wisconsin, Illinois	[6] 183,745	69
14	Mobile system, Mississippi, Alabama, Tennessee, Georgia	[7] 38,485	15
15	Money Creek, Ill	67	(1)
16	Monongahela, Md., Va., W. Va	5,600	10
17	New England-New York, Rhode Island, New York, Maine, New Hampshire, Vermont, Massachusetts, Connecticut	[8] 87,567	98
18	Old Tom Creek, Ill	18	(1)
19	Red River of the North, Minn., N. Dak., S. Dak	[9] 27,000	24
20	Sabine-Neches-Calcasieu-Mermentau	26,000	12
21	Salt River and adjacent area, Texas, Louisiana	4,603	2
22	San Antonio, Tex	4,186	1
23	San Diego, Calif	3,564	6
24	Santa Maria, Calif	1,875	2
25	South Fork of the Crow, Minn	225	(1)
26	Susquehanna, lower, Pennsylvania, Maryland	[10] 3,505	2
	Susquehanna, upper, New York, Pennsylvania [11]		2
	Total	989,847	437

[1] Authorization not completely covered.
[2] Name and location shown on the following pages.
[3] Arkansas-White-Red (279,900 square miles) minus Major Long (3,730), Dry Cimarron (1,010), South Canadian above Conchas Dam (7,644), Wolf (1,660), lower Arkansas (17,549), White (9,872), Fountain Creek (927), Washita (8,108), and Grand (Neosho) (12,660) equals 216,740 square miles; see secs I & II.
[4] Colorado of Texas (31,471 square miles) minus middle Colorado (7,189) equals 24,282 square miles; see sec I.
[5] Columbia (269,066 square miles) minus Umatilla (2,290), Weiser (1,670), Tillomook Bay (574), Walla Walla (1,800), Boise (4,134), Coastal area not covered (4,398, estimated), equals 254,200 square miles; see secs I and II.
[6] Upper Mississippi (188,250) square miles) minus Sny (742), north and middle Fabius (937), Turkey (1,696), Kickapoo (768), Lost (14), East Willow (37.5), Money (67.3), Tom (18), South Fork of the Crow (225) equals 183,745 square miles; see secs I, II, and III.
[7] Mobile system (42,505 square miles) minus Coosa (4,020) equals 38,485 square miles; see sec I.
[8] New England—New York (104,279 square miles) minus Connecticut (11,260), Buffalo Creek (437), Merrimack (5,015) equals 87,567 square miles; see secs. I, II, and III.
[9] Red River of the North (35,500 square miles) minus Souris (8,500) equals 27,000 square miles: see sec 1C.
[10] Lower Susquehanna (3,663 square miles) minus Pequest (158) equals 3,505 square miles; see sec 1C.
[11] Authorizations covered by review survey in progress, the area was reported in sec IB.

Authorizations covered by surveys in progress (item III)

Item	Survey report and authorizations covered	Flood Control Act	
		Year	Section
1	Allegheny:		
	(1) Allegheny River, N. Y., and Pa	1937	3
	(2) Allegheny River tributaries, sources, and headwaters, Pennsylvania	1936	6
	(3) Conewango Creek in Chautauqua and Catteraugus Counties, N. Y	1937	3
	(4) Conemaugh River and tributaries, Pennsylvania	1937	3
	(5) Davis Brook in Chautauqua and Catteraugus Counties, N. Y	1937	3
	(6) Girtys Run in Allegheny County, Pa	1937	3
	(7) Kiskiminitas River, Pa	1937	3
	(8) Kiskiminitas River and tributaries, Pennsylvania	1937	3
2	Altamaha-Ogeechee:		
	(1) Altamaha River, Ga	1936	6
	(2) Ogeechee, Ga	1936	6
	(3) Georgia, all streams in the State flowing into Atlantic between Ogeechee and Altamaha River, Ga	1950	205
	(4) Satilla River, Ga	1937	3
	(5) Satilla River, Ga	1950	205
3	Arkansas-White-Red:		
	(1) Arkansas-White-Red River Basins, Kans., Ark., La., Mo., Okla., Tex., N. Mex., Colo	1950	205
	(2) Arkansas River and tributaries, Colorado, Arkansas, Oklahoma, Kansas	1937	3
	(3) Autwine, levees south of on Chickaskia River, Okla	1936	3
	(4) Apishapa River, Colo	1936	6
	(5) Apishapa River, Colo	1938	6
	(6) Bayou Meto Basin, Ark	1937	3
	(7) Beaver River, Okla	1937	3
	(8) Big Mulberry Creek, Ark	1936	6
	(9) Big Piney Creek in Pope and Johnson Counties, Ark	1937	3
	(10) Braman Reservoir, Okla	1936	6
	(11) Black River, Ark	1937	3
	(12) Black River, Mo., Ark	1938	6
	(13) Big Elk Creek, Okla	1944	11
	(14) Black Cypress River, Tex	1937	3
	(15) Bayou Macon, Franklin, Madison, Richland, East and West Carroll Parishes (tributaries of Tensas River), La	1937	3
	(16) Black River, Catahoula and Concordia Parishes, La	1939	6
	(17) Black River, Catahoula and Concordia Parishes, La	1941	4
	(18) Boeuf River, Catahoula, Franklin, Caldwell, Richland, West Carroll, and Morehouse Parishes, La	1937	3
	(19) Bartholomew Bayou of Ashley and other counties, Ark	1938	6
	(20) Big Bay Ditch and tributaries area, Arkansas	1946	11
	(21) Canadian River, N. Mex., Tex., Okla	1937	3
	(22) Canadian River and tributaries, N. Mex	1937	3
	(23) Cimmarron River, N. Mex , Okla	1937	3
	(24) Cimarron River, Okla., Kans	1937	3
	(25) Cimarron River, Okla., Colo., and Kans	1950	205
	(26) Clear Creek, tributary of Arkansas, Oklahoma	1941	4
	(27) Cow Creek, Kans	1936	6
	(28) Cuchara River, Colo	1936	6
	(29) Caddo Dam, La., and Tex	1936	6
	(30) Cosatot River, Ark	1936	6
	(31) Cypress River, Tex	1937	3
	(32) Dogy Creek, tributary of the Arkansas, Okla	1941	4
	(33) Dry Cimarron River in Union County, N. Mex	1950	205
	(34) Deep Red Run in Tillman County, Okla	1944	11
	(35) Dugdemonia Bayou (tributary of Little River), La	1937	3
	(36) Eagle Town Reservoir, Okla	1936	6
	(37) Eight Mile Creek and tributaries, Ark	1946	11
	(38) Eufaula Reservoir, Okla	1936	6
	(39) Elm Creek, Okla	1944	11
	(40) Fairfax-Kaw City, Osage County, Okla	1939	6
	(41) Gafford Creek, Ark	1937	3
	(42) Gates Creek and tributaries, with a view to completion of Fort Towson Dam and flood-control reservoir, Oklahoma	1946	11
	(43) Huerfano River, Colo	1936	6
	(44) Jefferson-Shreveport Waterway, La., Tex	1936	6
	(45) Jefferson-Shreveport Waterway, La. and Tex	1937	3
	(46) Kenton Reservoir, Cimarron River, Okla	1936	6
	(47) Kiamichi River, Okla	1938	6
	(48) Little Missouri River, Ark	1936	6
	(49) Little Elk Creek, Okla	1944	11
	(50) Little River (tributary of Red), Ark	1936	6
	(51) Locust Creek and tributaries, Arkansas	1946	11
	(52) Mangum-Salt Fork, Greer County, Okla	1939	6
	(53) Long's Canyon	1938	6
	(54) Millwood Reservoir in Red River Basin, Ark	1950	205
	(55) North Fork of Canadian River, Tex., Okla	1937	3
	(56) North Canadian River, Okla., Tex	1937	3

Authorizations covered by surveys in progress (item III)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
3	Arkansas-White-Red—Continued		
	(57) Ouachita River and tributaries, Louisiana	1937	5
	(58) Ouachita River near Calion, Ark	1938	6
	(59) Ouachita River (navigation from Camden to Rockport), Ark	1946	11
	(60) Oologah Reservoir, Okla	1936	6
	(61) Pensacola Reservoir, Okla	1936	6
	(62) Petit Jean River, Ark	1936	6
	(63) Purgatoire (Picket Wire) River, Colo	1936	6
	(64) Pesse River and tributaries, Texas	1936	6
	(65) Red River, Ark	1936	6
	(66) Red River, La., N. Mex., Okla., Tex	1937	3
	(67) Red River, eastbank, beginning at south bank of Loggy Bayou at the hill line, along the south bank of Loggy Bayou to the east bank of Red River and along the east bank of Red River to Coushatta Bayou, Red River Parish	1938	6
	(68) Red River in vicinity of Shreveport, La	1941	4
	(69) Red River (from Shreveport, La. to mouth), La	1937	3
	(70) South Canadian River, Okla	1937	5
	(71) Saline River, Ark	1937	5
	(72) Salt Creek of the Arkansas River and tributaries, Osage County, Okla	1941	4
	(73) Salt Fork of the Red River and tributaries, Okla	1938	6
	(74) Salt Fork, Okla	1944	11
	(75) Smackover Creek in Union, Ouachita and Nevada Counties, Ark	1938	6
	(76) Sulphur River, Ark	1936	6
	(77) Sulphur River, Tex	1936	6
	(78) Sulphur River, Ark	1937	5
	(79) Sulphur River, Tex	1938	6
	(80) Sulphur River, Tex. and Ark	1937	3
	(81) Tensas River in Franklin, Madison, Tensas, East Carroll, Concordia, and Catahoula Parishes, La	1938	6
	(81) "The Narrows" on Fourche La Fave River in Scott County, Ark	1937	5
	(83) Verdigris River, Kans	1936	6
	(84) White River and tributaries, Arkansas, Missouri	1937	3
	(85) Walnut Bayou in Little River County, Ark	1937	5
	(86) Walnut Creek, Love and Carter Counties, Okla	1941	4
	(87) White River and tributaries, Arkansas, Missouri	1937	3
4	Colorado (Gila only):		
	(1) Gila River and tributaries above San Carlos project diversion dam, Arizona, New Mexico	1936	6
	(2) Gila River from Gillespie Dam downstream to a point near Wellton, Ariz	1937	5
	(3) Gila River and tributaries, Arizona, New Mexico	1938	6
	(4) Hassayampa River, Ariz	1936	6
	(5) Lower Santa Cruz River, Pinal County, Ariz	1936	6
	(6) Santa Cruz River, Santa Cruz County, Ariz	1936	6
	(7) Sabine Canyon, Pima County, Ariz	1936	6
5	Colorado, Tex.:		
	(1) Colorado River above the county line between Coke and Runnels Counties, Tex	1936	6
	(2) Colorado River and tributaries, Texas	1937	3
	(3) Lower Colorado River, Tex	1936	6
6	Columbia River:		
	(1) Alsea River and tributaries, Oregon	1937	5
	(2) Beaver Creek (Lincoln County), Oreg	1948	204
	(3) Burnt River and tributaries, Oregon	1937	5
	(4) Columbia River and tributaries, Washington, Oregon, Idaho, Nevada, Utah, Wyoming, Montana	1936	6
	(5) Columbia River	1937	3
	(6) Columbia River (upper)	1937	3
	(7) Columbia River (lower)	1937	3
	(8) Columbia River and tributaries, from downstream point of Vancouver Lake to upstream point of Bachelor Island, Wash	1941	4
	(9) Cedar River, Wash	1936	6
	(10) Chehalis River and tributaries, Washington	1936	6
	(11) Chetco River and tributaries, Oregon	1937	5
	(12) Clatskanie River and tributaries, Oregon	1937	5
	(13) Coos River and tributaries, Oregon	1936	6
	(14) Coos River and tributaries, Washington	1936	6
	(15) Coquille River and tributaries, Oregon	1936	6
	(16) Cowlitz River and tributaries, Washington	1936	6
	(17) Deschutes River and tributaries, Oregon	1937	5
	(18) Duwamish River, Wash	1936	6
	(19) Flathead River and tributaries, Flathead County, Mont	1937	5
	(20) Flathead River and tributaries, Flathead County, Mont	1938	6
	(21) Goldsborough Creek, Wash	1936	6
	(22) Grande Ronde River and tributaries, Oregon	1937	5
	(23) Green River, Wash	1936	6
	(24) John Day River, Oreg	1937	3
	(25) Kootenai River and tributaries, Idaho	1938	6
	(26) Lewis River and tributaries, Washington	1936	6

Authorizations covered by surveys in progress (item III)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
6	Columbia River—Continued		
	(27) Malheur River and tributaries, Oregon	1937	3
	(28) Naselle River, Pacific County, Wash	1938	6
	(29) Nehalem River, Oreg	1936	6
	(30) Nehalem River and tributaries, Clatsop, Columbia, and Washington Counties, Oreg	1936	6
	(31) Neskowin Creek, Oreg	1939	6
	(32) Nestucca River and tributaries, Oregon	1937	3
	(33) Nisqually River, Wash	1936	6
	(34) Nooksack River, Wash	1936	6
	(35) Nooksack River in Whatcom County, Wash	1937	3
	(36) Owyhee River and tributaries, Oregon	1937	3
	(37) Owyhee River and tributaries, Nevada	1938	6
	(38) Payette River, Idaho	1937	3
	(39) Powder River and tributaries, Oregon	1937	3
	(40) Puyallup River, Wash	1937	3
	(41) Rogue River and tributaries, Oregon	1936	6
	(42) Saint Regis River, Mont	1938	6
	(43) Salmon River, Oreg	1936	6
	(44) Samish River, Wash	1950	205
	(45) Samamish River, Wash	1936	6
	(46) Sandy River and tributaries, Oregon	1937	3
	(47) Siletz River and tributaries, Oregon	1936	6
	(48) Silvies River and tributaries, Oregon	1941	4
	(49) Siuslaw River and tributaries, Oregon	1936	6
	(50) Skagit River and tributaries, Washington	1936	6
	(51) Skagit River, North and South Forks, from Mount Vernon to Skagit Bay, Wash	1937	3
	(52) Skokomish River, Mason County, Wash	1939	6
	(53) Skokomish River and tributaries, Washington	1936	6
	(54) Skokomish River, Wash	1939	6
	(55) Smith River and tributaries, Oregon	1937	3
	(56) Snake River and tributaries, Idaho, Washington, Oregon	1937	3
	(57) Snohomish River and tributaries, Washington	1936	6
	(58) Snoqualmie River, Wash	1936	6
	(59) Spokane River and tributaries, Idaho	1936	6
	(60) Stilaguamish River, Wash	1936	6
	(61) Two Mile Creek, Oreg	1948	204
	(62) Umpqua River, Oreg	1937	3
	(63) Umpqua River and tributaries, Oregon	1936	6
	(64) Vancouver Lake area, lands below and contiguous to in Clark County, Wash	1938	6
	(65) Whatcom Creek at Bellingham, Wash	1937	3
	(66) Willamette River, Oreg	1936	6
	(67) Willapa River, Pacific County, Wash	1938	6
	(68) Willow Creek, Oreg	1937	3
	(69) Yakima River and tributaries, Washington	1936	6
	(70) Yaquina River and tributaries, Oregon	1936	6
7	Cumberland River:		
	(1) Cumberland River, Ky., Tenn	1937	3
	(2) Cumberland River and tributaries in vicinity of Nashville, Tenn	1937	3
	(3) Cumberland River and tributaries in vicinity of Clarksville, Tenn	1937	3
	(4) Nashville, Tenn	1937	3
	(5) Yellow Creek and tributaries in and about Middlesboro, Ky	1937	3
	(6) Clarksville, Tenn	1937	3
8	Hatchie-Wolf:		
	(1) Hatchie River, Miss., Tenn	1937	3
	(2) Hatchie River and tributaries, Mississippi, Tennessee	1939	6
	(3) Hatchie and Tuscumbia Rivers, Miss., Tenn	1950	205
9	Homochitte-Buffalo:		
	Mississippi River and tributaries [1]	1937	3
10	Kickapoo:		
	(1) Kickapoo River, Wis	1937	3
11	Licking River:		
	(1) Licking River, Ky	1936	6
	(2) Salyersville, Licking River, Ky., near Magoffin County	1936	6
12	Merrimack River:		
	(1) Merrimack River, Mass., N. H	1937	3
	(2) Merrimack River, Mass., N. H	1936	6
13	Mississippi, upper:		
	(1) Apple River, Jo Daviess County, Ill	1944	11
	(2) Bullard Creek, Goodhue County, Minn	1938	6
	(3) Bureau Creek and tributaries, Illinois	1937	3
	(4) Cedar River, Iowa	1937	3
	(5) Cedar River, Minn	1936	6
	(6) Clear Water River, Minn	1938	6
	(7) Crow Creeks (tributaries of the Illinois River), Ill	1939	6
	(8) Crow River, Minn	1936	6
	(9) Chippewa River, Wis	1937	3

See footnote at end of table, p. 1892.

Authorizations covered by surveys in progress (item III)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
13	Mississippi, upper—Continued		
	(10) Des Moines River, Iowa, Minn., Mo.	1937	3
	(11) Edwards River, Ill.	1939	6
	(12) Fabius River, Iowa and Mo.	1937	3
	(13) Farm Creek, Ill.	1939	6
	(14) Fox Island, dam at northern end of, Clark County, Mo.	1938	6
	(15) Fox River and tributaries, Wisconsin	1936	6
	(16) Fox River, Wisconsin	1937	3
	(17) Fox River and tributaries, Wisconsin	1946	11
	(18) Fox River at Ottawa, Ill.	1937	5
	(19) Fox River and tributaries, Missouri	1938	6
	(20) Galena River (Fever River), Ill., Wis.	1937	5
	(21) Gilmore Creek, Winona Co., Minn.	1937	5
	(22) Gimlet Creek, Ill.	1939	6
	(23) Hadley Creek and tributaries in Pike County, Ill.	1938	6
	(24) Hay Creek, Goodhue Creek, Minn.	1938	6
	(25) Henderson, River, Ill.	1938	6
	(26) Illinois River, Ill.	1937	3
	(27) Illinois River, at Ottawa, Ill.	1937	5
	(28) Illinois River and tributaries, Illinois	1939	6
	(29) Iowa River, Iowa and Minn.	1937	3
	(30) Iowa River, Iowa	1937	5
	(31) Kankakee River, Ind., and Ill.	1937	3
	(32) Kaskaskia River, Ill.	1938	6
	(33) Lake Hendricks, inlets and outlets, South Dakota, Minnesota	1941	4
	(34) Mississippi River, between Illinois and Wisconsin Rivers	1937	3
	(35) Mississippi River (upper) headwaters to point below mouth of Wisconsin River	1937	3
	(36) Mississippi River (upper) from Louisiana, Pike County, Missouri to Cairo, Ill.	1937	3
	(37) Mississippi River and tributaries, Indiana	1939	6
	(38) Mackinaw River, Ill.	1937	5
	(39) Maquoketa River, Iowa	1937	3
	(40) Minnesota River, Minn.	1936	6
	(41) Minnesota River, Iowa, Minn., S. Dak.	1937	3
	(42) Mississippi River and tributaries in Aitkin County, Minn.	1944	11
	(43) Mississippi River at and in the vicinity of East Cape Girardeau and Clear Creek, North Alexander, Clear Creek, Preston, and Miller Pond Drainage Levee District, Illinois	1946	11
	(44) Mississippi River at and in the vicinity of Perry County Drainage and Levee Districts No. 1, 2, and 3, Missouri	1946	11
	(45) Mississippi River at and in the vicinity of La Crosse, Wis., with a view to providing a small boat harbor improvement at Isle La Plume, Wis.	1946	11
	(46) North Fabius River, Mo.	1936	6
	(47) Pecatonica River and tributaries, Wisconsin and Illinois	1946	11
	(48) Plum River and tributaries, Carroll County, Ill.	1939	6
	(49) Pecatonica River and tributaries, Wisconsin, Illinois	1946	11
	(50) Rock River, Ill., Wis.	1937	3
	(51) Rock River, Ill.	1938	6
	(52) Root River, Fillmore, Mower, Olmsted, Winona, and Houston Counties, Minn.	1937	5
	(53) Root River and tributaries, Minnesota	1946	11
	(54) Rum River, Minn.	1936	6
	(55) Spoon River, Ill.	1936	6
	(56) Snake River, Minn.	1944	11
	(57) Saint Croix River, Minn., Wis.	1936	6
	(58) Salt River, Mo.	1936	6
	(59) Sangamon River, Ill.	1937	3
	(60) Skunk River, Iowa	1937	3
	(61) South Fabius River, Mo.	1937	5
	(62) Ten Mile Creek, Ill.	1939	6
	(63) Wapisinicon River, Iowa	1937	3
	(64) Wells Creek, Goodhue County, Minn.	1938	6
	(65) Whitewater River, Minn.	1937	5
	(66) Wisconsin River, Wis.	1937	3
	(67) Wyaconda River, Mo.	1937	3
	(68) Wyaconda River in Clark and Lewis Counties, Mo.	1937	5
	(69) Zumbro River, Minn.	1937	5
14	Mobile system:		
	(1) Black Warrior River and tributaries, Alabama	1937	3
	(2) Blackwater River, Fla.	1950	205
	(3) Blackwater River and Perdido Rivers, Ala.	1950	205
	(4) Coosa River and tributaries, Georgia, Alabama	1936	6
	(5) Coosa River and tributaries, at and in vicinity of Rome, Ga.	1946	11
	(6) Choctawhatchee River and tributaries, Florida, Alabama	1937	3
	(7) Choctawhatchee River and tributaries, Alabama, Florida	1946	11
	(8) Choctawhatchee River and tributaries, Florida, Alabama	1946	11
	(9) Choctawhatchee River and tributaries, Florida	1944	11

Authorizations covered by surveys in progress (item III)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
14	Mobile system—Continued		
	(10) Cold Water Creek, Calhoun County, Ala	1946	11
	(11) Escambia River and tributaries, Alabama, Florida	1937	3
	(12) Mobile River system, including Coosa, Black Warrior, and Tombigbee Rivers, and tributaries, Georgia, Alabama, Mississippi	1937	3
	(13) Tombigbee River and tributaries, Alabama, Mississippi	1937	3
	(14) Warrior River and tributaries, Alabama	1937	3
	(15) Yellow River, Fla., Ala	1950	205
15	Money Creek:		
	Interim on upper Mississippi, Ill.[1]	1937	3
16	Monongahela (FS):		
	(1) Buffalo Creek, Marion County, W. Va	1950	205
	(2) Buckhannon River and tributaries in the vicinity of Buckhannon, W. Va	1937	5
	(3) Cheat River and tributaries, West Virginia	1936	6
	(4) Deckers Creek, Monongahela County, W. Va	1938	6
	(5) Dunlap Creek and tributaries, Pennsylvania	1941	4
	(6) Middle Fork River and tributaries in vicinity of Buckhannon, W. Va	1937	5
	(7) Monongahela River and tributaries, Pennsylvania, West Virginia	1937	3
	(8) Redstone Creek and tributaries, Pennsylvania	1941	4
	(9) Tygart River and tributaries in vicinity of Elkins, W. Va	1937	5
	(10) West Fork River and tributaries, West Virginia	1941	4
17	New England-New York (SCS and FS) (61,203):		
	(1) Androscoggin River, Maine	1936	6
	(2) Aroostook River and tributaries, Maine	1948	204
	(3) Ausable River, N. Y	1937	3
	(4) Acushnet River, Mass	1937	3
	(5) Battenkill, N. Y	1937	3
	(6) Bellows Pond drainage area, Fulton County, N. Y	1938	6
	(7) Bellows Pond drainage area, Fulton County, N. Y	1939	6
	(8) Big Chazy River, N. Y	1937	3
	(9) Birch Creek, N. Y	1936	6
	(10) Black River, N. Y	1936	6
	(11) Boquet River, N. Y	1937	3
	(12) Bronx River and tributaries, New York	1941	4
	(13) Byram River and tributaries, Connecticut	1941	4
	(14) Blind Brook and tributaries, New York	1941	4
	(15) Bushnellville Creek, N. Y	1936	6
	(16) Canada Lake drainage area, Fulton County, N. Y	1938	6
	(17) Canada Lake drainage area, Fulton County, N. Y	1939	6
	(18) Catskill Creek, Greene County, N. Y	1936	6
	(19) Cattaraugus Creek, N. Y	1936	6
	(20) Cayuga Creek, N. Y	1937	3
	(21) Cayuga Lake, N. Y	1936	6
	(22) Chittenango Creek and tributaries, New York	1938	6
	(23) Cold Spring Brook in Cayuga County, N. Y	1939	6
	(24) Crane Brook in Cayuga County, N. Y	1939	6
	(25) Clyde River, N. Y	1936	6
	(26) Cromline Creek, N. Y	1937	3
	(27) Dog River, Vt	1936	6
	(28) Ellicott Creek, N. Y	1938	6
	(29) Esopus Creek, N. Y	1936	6
	(30) Fish Creek and tributaries, Saratoga Lake, N. Y	1938	6
	(31) Genesee River, N. Y	1936	6
	(32) Green River, Mass	1939	6
	(33) Hoosic River, Mass., N. Y., Vt	1937	3
	(34) Housatonic River, Conn., N. Y., Mass	1937	3
	(35) Hudson River and tributaries, New York	1937	3
	(36) Hutchinson River and tributaries, New York	1941	4
	(37) Israel River, N. H	1950	205
	(38) Jerico Brook in Cayuga County, N. Y	1939	6
	(39) Kayaderosseras Creek and tributaries, New York	1938	6
	(40) Kennebec River, Maine	1936	6
	(41) Kennebunk River, Maine	1937	3
	(42) Keuka Lake, N. Y	1936	6
	(43) Kinderhook Creek, N. Y., Mass	1937	3
	(44) Lackawack River, N. Y	1936	6
	(45) Lamoille River, Vt	1937	3
	(46) Machias River, Maine	1937	3
	(47) Mararoneck River and tributaries, New York	1941	4
	(48) Merrick and Connecticut Rivers and tributaries and such other streams in States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, where appears feasible, etc	1950	205
	(49) Metawee River, N. Y	1937	5
	(50) Missisquoi River, Vt	1937	3
	(51) Mohawk River, N. Y	1937	3

See footnotes at end of table, p. 1892.

Authorizations covered by surveys in progress (item III)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
17	New England-New York (SCS and FS) (61,203)—Continued		
	(52) Mohawk River, N. Y.	1939	6
	(53) Monongahela River, N. Y.	1937	3
	(54) Moose River, N. Y.	1936	6
	(55) Moshassuk River and tributaries, Rhode Island	1936	6
	(56) Mystic River and tributaries, Massachusetts	1950	205
	(57) Narraguagus River and tributaries, Maine	1946	11
	(58) New Creek, N. Y.	1936	6
	(59) Oneida River, N. Y.	1936	6
	(60) Oneida Creek and tributaries, New York	1946	11
	(61) Onondaga Creek, N. Y.	1936	6
	(62) Otter Creek, Vt.	1937	3
	(63) Owasco Inlet and tributaries, Cayuga and Tompkins Counties, N. Y.	1939	6
	(64) Owasco Outlet and tributaries, Cayuga and Tompkins Counties, N. Y.	1939	6
	(65) Oswego River, N. Y.	1936	6
	(66) Poultney River, N. Y., Vt.	1937	3
	(67) Presumpscot River, Maine	1937	3
	(68) Passumpsic River, Vt.	1936	6
	(69) Pawcatuck River, R. I., Conn.	1937	3
	(70) Pawtuxet River, R. I.	1937	3
	(71) Penobscot River, Maine	1936	6
	(72) Saco River, Maine	1936	6
	(73) Saco River and tributaries, Maine, New Hamshire	1937	3
	(74) Saint Croix River, Maine	1937	3
	(75) Salmon Falls River, Maine, N. H.	1937	3
	(76) Saranac River, N. Y.	1937	3
	(77) Saratoga Lake, N. Y.	1938	6
	(78) Sawkill Creek, Ulster County, N. Y.	1936	6
	(79) Saw Mill River and tributaries, New York	1941	4
	(80) Scajaquada Creek and tributaries, New York	1944	11
	(81) Schoharie Creek, Greene County, N. Y.	1936	6
	(82) Schoharie Creek and tributaries, Schoharie County, N. Y.	1936	6
	(83) Seneca River, N. Y.	1936	6
	(84) Seneca Creek, N. Y.	1936	6
	(85) Skinner Creek, at and in the vicinity of Mannsville, N. Y.	1948	204
	(86) Steel Creek at Ilion, N. Y.	1937	5
	(87) Sanisto River, N. Y.	1936	6
	(88) Smokes Creek at Lackawanna, N. Y.	1938	6
	(89) Sheldrake River and tributaries, New York	1941	4
	(90) Taunton River, Mass.	1937	3
	(91) Thames River and tributaries, Connecticut	1938	6
	(92) Union River, Maine	1937	3
	(93) Walkill River, N. Y., N. J.	1937	3
	(94) Warner Bushkill Creek, N. Y.	1936	6
	(95) West River, between Weston and Brattleboro, Vt.	1936	6
	(96) Winooski River, Vt.	1936	6
	(97) Woodland Creek, N. Y.	1936	6
	(98) Woonasquatucket River and tributaries, Rhode Island	1936	6
18	Old Tom Creek:		
	Interim on upper Mississippi, Ill.[1]	1937	3
19	Red River of the North:		
	(1) Buffalo River, Minn.	1944	11
	(2) Joe River, Little and Big, Minn.	1950	205
	(3) Lost River and tributaries, Minnesota	1946	11
	(4) Lost River, tributary of Red River of North, Minn.	1950	205
	(5) Marsh River, Minn.	1944	11
	(6) Middle River, Minn.	1944	11
	(7) Moose River, tributary of Red River of North, Minn.	1950	205
	(8) Mud River, tributary of Red River of North, Minn.	1950	205
	(9) Pembina River and tributaries, North Dakota	1938	6
	(10) Poplar River, Minn.	1937	3
	(11) Roseau River, Minn.	1936	6
	(12) Roseau River, Minn.	1944	11
	(13) Red Lake River and tributaries, Minnesota	1938	6
	(14) Red Lake River, Minn.	1944	11
	(15) Red River of the North drainage basin, Minnesota, South Dakota, North Dakota	1941	4
	(16) Red River and tributaries, North Dakota	1946	11
	(17) Snake River, Minn.	1950	205
	(18) Sand Hill River, Minn.	1944	11
	(19) Tamarac River, tributary of Red River of North, Minn.	1950	205
	(20) Tamarac River, Minn.	1944	11
	(21) Two Rivers, Minn.	1944	11
	(22) Two Rivers, Minn.	1950	205
	(23) Thief River, Minn.	1950	205
	(24) Wild Rice River, Minn.	1944	11

See footnote at end of table, p. 1892.

Authorizations covered by surveys in progress (item III)—Continued

Item	Survey report and authorization covered	Flood Control Act	
		Year	Section
20	Sabine-Neches-Calcasieu-Mermentau and coastal drainage area between Vermillion Bay and Galveston Bay:		
	(1) Calcasieu River, La	1937	3
	(2) Gulf Intracoastal Waterway and connecting streams, lakes, and bays between Bayou Sale Ridge and the Calcasieu River, La	1937	3
	(3) Jefferson County drainage districts, etc., Texas	1946	11
	(4) Mermentau River, La	1936	6
	(5) Neches River and tributaries, Texas	1936	6
	(6) Neches River and tributaries, Texas	1937	3
	(7) Nezpique Bayou (outlets into Grand Lake), La	1937	3
	(8) Port Arthur (see Jefferson County drainage districts), Tex	1946	11
	(9) Port Arthur, damage from Sabine Lake resulting from erosion and floods due to winds and tide	1946	11
	(10) Sabine River and tributaries, Texas	1937	3
	(11) Sabine River, Tex	1936	6
	(12) Sabine-Neches Waterway, Tex	1937	3
21	Salt River:		
	(1) Salt River, Ky	1937	3
	(2) Do	1950	205
22	San Antonio River:		
	(1) San Antonio River, Tex	1937	3
23	San Diego:		
	(1) San Diego River, Calif	1936	6
	(2) San Diego River in San Diego County, Calif	1936	6
	(3) San Diego County, all streams flowing into the Pacific Ocean		
	(4) Santa Marguerita River and tributaries, California	1938	6
	(5) San Louis Rey River in San Diego County, Calif	1936	6
	(6) Tia Juana River in San Diego County, Calif	1936	6
24	Santa Maria:		
	(1) Santa Maria River, Calif	1937	5
	(2) Santa Maria River and tributaries, California (May 14)	1937	
25	South Fork of the Crow:		
	Interim on upper Mississippi [1]	1937	3
26	Susquehanna, lower (SCS) (3505):		
	Susquehanna River, N. Y., Pa., Md. [1]	1937	3
	Susquehanna, upper (review):		
	(1) Susquehanna, at and in the vicinity of Sidney, N. Y	1946	11
	(2) Susquehanna River in the vicinity of Endicott, Johnson City, and Vestal, N. Y	1944	11

[1] Authorizations not completely covered.

IV. Preliminary examinations completed—Survey not started

Item, report, and location	Area in square miles	Date completed	Authorization for survey			
			Number	Name	Flood control act	
					Year	Section
1. Beaver, Ohio and Pa	3,147	July 1948	1	Beaver River	1947	3
2. Big Black, Miss	3,300	June 1942	2	Big Black	1936	6
				Bear Creek	1946	11
3. Big Sandy, W. Va., Ky., and Va.	4,283	May 1940	1	Big Sandy River	1936	6
4. Chowan, Va. and N. C	5,000	April 1949	2	Chowan River and tributaries.	1948	204
				Meherrin River and tributaries.	1937	3
5. Eel and Mad, Calif	4,177	February 1950	4	Eel River in Humboldt County.	1936	6
				Eel River	1937	6
				Mad River	1936	6
				Mad River in Humboldt County.	1936	6
6. Great Salt Lake, Utah [2]	[2] 1,891	January 1940	1	Great Basin, streams draining into.	1938	6
7. Juniata, Pa	3,409	May 1942	1	Juniata River and tributaries.	1944	11

See footnotes at end of table, p. 1894.

IV. Preliminary examinations completed—Survey not started —Continued

Item, report, and location	Area in square miles	Date completed	Authorization for survey			
			Number	Name	Flood Control Act	
					Year	Section
8. Kanawha, N. C., Va., and W. Va.	12,300	August 1948	1	Kanawha River	1937	3
9. Kaweah-Tule group, California.	3,200	March 1939	1	Deer Creek	1937	5
10. Kern River group, California.	5,600	January 1939	1	Kern River	1937	3
11. Klamath River, Calif. and Oreg.	15,600	March 1950	2	Klamath River, Calif.	1937	3
				Klamath River and tributaries, Oregon.	1937	5
12. Los Angeles and Ventura Counties, streams draining the Santa Monica Mountains directly into Pacific Ocean, Calif.	421	1944	2	Los Angeles and Ventura Counties, streams draining the Santa Monica Mountains directly into ocean.	1938	6
				Ventura County, streams draining the Santa Monica Mountains, directly into Pacific Ocean.	1938	6
13. Mad, Ohio	689	July 1938	2	Mad River	1936	6
				Mad River at Springfield	1936	6
14. Madera-Fresno-Upper San Joaquin, Calif.	3,825	July 1939	(3)	Sacramento and San Joaquin River Valley.	1936	6
15. Meramec, Mo	4,000	June 1942	1	Meramec River	1937	3
16. Merced area group, California.	828	February 1938	13	Big Deadmans Creek	1936	6
				Browns Creek	1936	6
				Bear Creek in Merced County.	1936	6
				Black Rascal Creek	1936	6
				Black Rascal Creek in Merced County.	1936	6
				Canal Creek	1936	6
				Duck Creek	1936	6
				Fahrens Creek	1936	6
				Little Deadmans Creek	1936	6
				Mariposa Creek	1936	6
				Mariposa Creek in Merced County.	1936	6
				Miles Creek	1936	6
				Owens Creek	1936	6
17. Neuse River and Contentnea Creek, N. C.	5,490	June 1942	3	Neuse River	1937	3
				Contentnea Creek	1936	6
				Contentnea Creek (from Watson to confluence with Neuse).	1937	3
18. New and tributaries above Bluestone Dam, Va., W. Va., N. C. (tributary of Kanawha).		June 1939	(3)	Kanawha	1937	3
19. Ohio River tributaries, Kentucky.	687	January 1952	(3)	Ohio River	1937	3
20. Pascagoula, Miss., and Ala.	9,702	June 1939	6	Chickasawha River and tributaries, Mississippi.	1937	3
				Chickasawha River, Miss.	1937	3
				Chunky River, Miss.	1937	3
				do	1946	11
				Leaf River and tributaries, Mississippi.	1939	6
				Pascagoula River	1937	3
21. Patuxent, Md.	932	December 1938	1	Patuxent River and tributaries.	1936	6
22. Pearl, Miss., and La.	8,700	March 1938	5	Pearl River	1936	6
				do	1937	3
				do	1941	4
				Pearl River and tributaries.	1946	11
				Pearl River (in Pearl River, Marion, Hinds, and Lawrence Counties), Miss.	1937	3

See footnotes at end of table, p. 1894.

IV. Preliminary examinations completed—Survey not started —Continued

Item, report, and location	Area in square miles	Date completed	Authorization for survey			
			Number	Name	Flood Control Act	
					Year	Section
23. Pee Dee,[4] S. C., and N. C.	[4] 9,042	January 1938	5	Pee Dee River	1937	3
				Lumber River and tributaries.	1939	6
				Linch River	1936	6
				Waccamaw River, S. C.	1936	6
				Waccamaw River, N. C. and S. C.	1938	6
24. Raritan, N. J.	1,105	March 1951	1	Raritan River	1937	3
25. Rio Grande above El Paso, Tex.	[5] 7,130	January 1942	2	Rio Grande and tributaries above Colorado-New Mexico line.	1938	6
				Rio Grande and Pecos Rivers and tributaries above point of confluence.[6]	[7] 1937	.....
26. Sacramento, upper, Calif.	7,650	May 1939	(3)	Sacramento River Valley	1936	3
27. Sacramento, middle, Calif.	8,100	May 1943	(3)	Sacramento River	1937	3
			5	Battle Creek, Shasta and Tehama Counties.	1938	6
				Cottonwood Creek, Shasta and Tehama Counties.	1938	6
				Deer Creek in Tehama County.	1938	6
				Mill Creek, Tehama County.	1938	6
				Payne Creek, Tehama County.	1938	6
28. Santee-Cooper, S. C. and N. C.	16,335	February 1943	3	Santee River, S. C.	1936	6
				Santee River N. C. and S. C.	1937	3
				Cooper River, S. C.	1936	6
29. Susquehanna, upper, N. Y. and Pa.	[8] 2,620	December 1938	2	Chemung River, N. Y.	1936	6
				Tioga River, N. Y.	1936	6
30. Wabash River, Ind., Ohio, and Ill.	[9] 26,470	April 1942	12	Allison and Russell levee unit on Wabash, Ill.	1938	6
				England Pond levee unit on Wabash, Ill.	1938	6
				Embarras River, Ill	1938	6
				Indian Creek, Ind	1944	11
				Lost Creek and tributaries, White and Hamilton Counties, Ill.	1946	11
				Rochester and McClearys Bluff levee unit on Wabash, Ill.	1938	6
				Tri Pond levee unit on Wabash River, Ill.	1938	6
				Wabash River	1937	6
				Wabash River at Terre Haute, Ind.	1938	6
				Wabash River and tributaries, Ind. and Ill.	1939	6
				Wabash River at and in vicinity of Mount Carmel, Ill.	1946	11
				White River, West Fork of, Ind.	1937	3
Total	175,633		80			

[1] Survey started but discontinued on the Sacramento and the Ohio Rivers (northern tributaries).
[2] Area of Wasatch Front (2,254 square miles) not included, Wasatch Front report under review.
[3] Authorizations not completely covered.
[4] Upper Pee Dee report to Congress and area of 6,870 square miles not included.
[5] Area not covered by survey reports under review.
[6] Pecos report to Congress and Rio Grande report under review.
[7] August 28.
[8] Area of 4,940 square miles covered by survey report to Congress not included.
[9] Area of 6,630 square miles covered by East Fork of White and Patoka not included.

V. Authorizations not covered by preliminary examinations or surveys [1]

Item	Name and location	Flood control	
		Year	Section
1	Absecon Island, N. J	1944	11
2	Alameda Creek and tributaries, California	1937	5
3	Alaska, rivers and harbors in Alaska	1948	204
4	Alhambra Creek and tributaries, California	1941	4
5	American River, Calif	1936	6
6	Amite River, La. and Miss	1937	3
7	Amite River and tributaries, Louisiana	1937	3
8	do	1944	11
9	Amnicon River, Wis	1937	3
10	Anahula River and other streams and tributaries in the Waialua district, island of Oahu, T. H	1939	6
11	Anasco River and tributaries, Puerto Rico	1939	6
12	Arroya Grande Creek in San Louis Obispo County, Calif	1937	5
13	Ashland County, all streams and rivers and tributaries thereof flowing into Lake Superior, Wis	1946	11
14	Auglaize River and tributaries, Ohio	1939	6
15	Au Gres River and tributaries, Michigan	1948	204
16	Bad River, Wis	1937	3
17	Baptism River, Minn	1937	3
18	Bayamon and tributaries, municipality at Bayamon, P. R	1944	11
19	Bay field County, all streams and rivers and tributaries thereof flowing into Lake Superior, Wis	1946	11
20	Bayou Boeut and watershed thereof from source in Rapides Parish to outlet in St. Landry Parish, La	1938	6
21	Bayou Cocodrie and watershed thereof from source in Rapides Parish to outlet in St. Landry Parish, La	1938	6
22	Bayou La Fourche (from Donaldsonville to the Intracoastal Waterway, via Bayou Beouf, Assumption Parish, or other streams, Louisiana	1937	3
23	Buffalo Creek and tributaries, West Virginia and Pennsylvania	1946	11
24	Bayou Rapides and watershed thereof from source in Rapides Parish to outlet in St. Landry Parish, La	1938	6
25	Bayou Teche (upper portion), La	1937	3
26	Bear River, Calif	1936	6
27	Beaver Bay River, Minn	1937	3
28	Bellevue Conservancy District, Ohio	1938	6
29	Bethany Beach, Del	1944	11
30	Big Creek and tributaries (see St. Francis River), Arkansas	1946	11
31	Big Elk Creek, Cecil County, Md	1938	6
32	Big Fork River, Minn	1937	3
33	Big South Fork River and tributaries, Tennessee	1946	11
34	Big Run River and tributaries, Monterey County, Calif	1941	4
35	Blackfish Bayou and tributaries (see St. Francis River), Arkansas	1946	11
36	Black River and tributaries, South Carolina	1950	205
37	Blanchard River and tributaries, Ohio	1939	6
38	Bowie River and tributaries, Mississippi	1939	6
39	Brule River, Wis	1937	3
40	Bucana River and tributaries, Puerto Rico	1941	4
41	Bull Dog Creek, Minn	1944	11
42	California, Reclamation District No. 768, Humboldt County, Calif	1950	205
43	California, streams flowing through Antelope Valley in Los Angeles and Kern Counties, Calif	1950	205
44	Caloosahatchee River, Fla	1937	3
45	Caloosahatchee River and Lake Okeechobee drainage area along North New River Canal in Broward County, Fla	1946	11
46	Calaveras River, Calif	1937	3
47	Cape Fear River, Va. and N. C	1937	3
48	Carmel River and tributaries, Monterey County, Calif	1941	4
49	Carp River, Mich	1937	3
50	Cascade River, Minn	1937	3
51	Colorado River and tributaries above Lees Ferry, Ariz	1938	6
52	Cotaco Creek and its branches, Morgan County, Ala	1936	6
53	Chagrin River and tributaries, Ohio	1938	6
54	Chattanooga, Tenn	1938	6
55	Chena Slough, Alaska	1946	11
56	Chefuncte River, La	1937	3
57	Chico River and tributaries, Puerto Rico	1941	4
58	Clear Fork of the Mohican River in Richland County, Ohio	1944	11
59	Clinch River, North Fork, Va. and Tenn	1939	6
60	Clinton River, Mich	1937	5
61	do	1946	11
62	Coal Creek and tributaries, Tennessee	1946	11
63	Coama River and tributaries, Puerto Rico	1939	6
64	Combahee River, Broad River, Black River and tributaries, South Carolina	1950	205
65	Congaree River, S. C	1936	6
66	Conneaut Creek, Pa	1950	205
67	Cowan Creek, Ohio	1938	6
68	Crown Mountain water courses and tributaries, island of St. Thomas, V. I	1941	4
69	Cucklers Creek, N. C	1948	204
70	Delaware, Rehobeth Beach, Bethany Beach, Lewes, and Fenwick Island and other points along the Delaware coast, Delaware	1944	11

See footnotes at end of table, p. 1899.

V. Authorizations not covered by preliminary examinations or surveys [1]—Continued

Item	Name and location	Flood control	
		Year	Section
71	Douglas County, all streams and rivers and tributaries thereof, flowing into Lake Superior, Wis	1946	11
72	Drum Inlet, N. C	1936	6
73	Edisto River and tributaries, South Carolina	1936	6
74	Elk River, Cecil County, Md	1938	6
75	Emery River and tributaries, Tennessee	1941	4
76	Estero River, Fla	1937	5
77	Estero River and tributaries, Puerto Rico	1941	4
78	Fair Plain Gut and tributaries, Island of St. Croix, V. I	1941	4
79	Feather River, Calif	1936	6
80	Fenholloway River, Fla	1948	204
81	Fenwick Island (see Delaware), Del	1944	11
82	Fifteen Mile Bayou and tributaries (see St. Francis River), Arkansas	1946	11
83	Filberts Creek, N. C	1950	205
84	Flint Creek and its branches, Morgan County, Ala	1936	6
85	Florida streams in St. Johns, Flagler, and Putnam Counties, Fla	1950	205
86	Flint River, Ala. and Tenn	1936	6
87	Fond du Lac River and tributaries, Wisconsin	1936	6
88	Four Pole Creek, W. Va	1946	11
89	Frenchman Bayou and tributaries (see St. Francis River), Arkansas	1946	11
90	Garden Creek, Mathews County, Va	1941	4
91	Gilbert Run, Md	1950	205
92	Gleason Creek, Robinson watershed, White Pine County, Nev	1950	205
93	Gooseberry River, Minn	1937	3
94	Gordon River, Fla	1937	5
95	Grand River, Mich	1937	3
96	Green River and tributaries, Wyoming	1936	6
97	Gold Creek and tributaries, Alaska	1946	11
98	Greenbrier River and tributaries, West Virginia	1936	6
99	Guadalupe River, Tex	1937	3
100	Guadalupe River and tributaries, California	1941	4
101	Guamani River and tributaries, Puerto Rico	1941	4
102	Gulf of Mexico, coastal streams flowing into the Gulf between Suwannee and Apalachicola Rivers, Fla	1950	205
103	Guyandot River, W. Va	1937	3
104	Hackensack River and tributaries, New Jersey and New York	1946	11
105	Hanalei River and tributaries on the island of Kauai, T. H	1939	6
106	Hanapepe River and tributaries on the island of Kauai, T. H	1939	6
107	Hendry Creek, Fla	1937	5
108	Hillsboro River, Fla	1936	6
109	Hobolochito River, Miss	1939	6
110	Hocking River, Ohio	1037	3
111	Hocking River in Athens County, Ohio	1937	3
112	Hocking River in the vicinity of Athens, Ohio	1938	6
113	Hocking River in Hocking County, Ohio	1944	11
114	Hondo River and tributaries, municipality of Bayamon, P. I	1944	11
115	Humboldt River and tributaries, Nevada	1938	6
116	Iao Stream, island of Maui and Kaunakaki Gulch, island of Molokai, T. H	1950	205
117	Imperial River, Fla	1937	5
118	Imperial County, all streams flowing into the Salton Sea, Calif	1941	4
119	Indian River and tributaries, Florida	1941	4
120	Intracoastal Waterway throughout Broward County, Fla	1936	6
121	James River, Va	1936	6
122	James River, Va. and W. Va	1937	3
123	Jones Creek, Tex	1937	3
124	Kanab Creek, Utah and Ariz	1938	6
125	Kapaa Swamp on island of Kauii, T. H	1939	6
126	Kalamazoo River, Mich	1937	3
127	Kawainui Swamp in the Kailua District, island of Oahu, T. H	1939	6
128	Kaweshiwi River, Minn	1937	3
129	Kawkawlin River, Mich	1937	5
130	Kissimee River Valley and tributaries, Florida	1937	5
131	Kissimee River, Fla	1939	6
132	Kissimee River and tributaries, Florida	1941	4
133	Kremmling River, Colo	1938	6
134	La Plata River, Colo	1938	4
135	Levisa Fork of Big Sandy River in vicinity of the Breaks of Sandy, Ky	1937	3
136	Little Colorado River and tributaries upstream from boundary of Navajo Indian Reservation, Ariz	1937	5
137	Lapa River and tributaries, Puerto Rico	1941	4
138	Lake Ponchartrain, from the Orleans-Jefferson Parish line westward and northward to vicinity of Frenier, La	1941	4
139	La Plata River and tributaries, Puerto Rico	1939	6
140	Laguna Canyon, Calif. (Orange County)	1941	4
141	Lavaca River, Tex	1937	3
142	do	1938	6
143	Leatherwood Creek, with particular reference to flood control and water supply for Cambridge, Ohio	1944	11

See footnotes at end of table, p. 1899.

V. Authorizations not covered by preliminary examinations or surveys [1]—Continued

Item	Name and location	Flood control	
		Year	Section
144	Lewes (see Delaware), Del	1944	11
145	Little Black River and tributaries, Michigan	1941	4
146	Little Calumet River and tributaries, Indiana	1941	4
147	Little Fork River, Minn	1937	3
148	Little Kanawha River and tributaries, West Virginia	1946	11
149	Little Miami River, Ohio	1937	3
150	Louisiana—all streams and bayous in southwest Louisiana, west of the West Atchafalaya Basin protection levee and south of the latitude of Boyce; all streams and bayous lying between the East Atchafalaya Basin protection levee and the Mississippi River, La	1944	11
151	Louisiana, all streams and bayous west of the West Atchafalaya Basin protection levee, to south of the latitude of Boyce, La	1937	3
152	Louisiana, all streams and bayous between the East Atchafalaya Basin protection levee and the Mississippi River, La	1937	3
153	Las Vegas, Wash. and Calif	1952	[2]
154	Gunnison River, North Fork of, at Paonia, Colo	1938	6
155	Manatee River, Fla	1950	205
156	Manistee River, Mich	1937	3
157	Manistique River, Mich	1937	3
158	Manitou River, Minn	1937	3
159	Manco River, Colo	1938	6
160	Marshy Hope Creek, Md	1936	6
161	Marshy Hope Creek and tributaries, Maryland	1946	6
162	Martin Creek at the vicinity of Paradise Valley, Humboldt County, Nev	1950	205
163	Matadero Creek, Santa Clara County, Calif	1941	4
164	Matanuska River in the vicinity of Matanuska, Alaska	1937	3
165	Mattaponi, Va	1950	205
166	Maumee River, Ind. and Ohio	1944	11
167	Maunabo River and tributaries, Puerto Rico	1941	4
168	Mayfield Creek, Ky	1937	3
169	Memphis, Tenn	1937	5
170	Menominee River, Mich. and Wis	1937	3
171	Miami River, Ohio	1938	6
172	Mill Creek Valley in Cincinnati, Ohio	1937	5
173	Milwaukee River and tributaries, Wisconsin	1941	4
174	do	1950	205
175	Mimbres River and tributaries, New Mexico	1941	4
176	Mississippi River	1937	3
177	Mississippi River and tributaries	1937	3
178	Mississippi River below Cape Girardeau, Mo	1937	3
179	Mississippi River and tributaries, in Memphis and Shelby County, Tenn	1937	5
180	Missouri River from Watson, Mo., to Leavenworth, Kans., Mo. and Kans	1950	205
181	Mojave River in San Bernardino County, Calif	1937	5
182	Mokelumne River and tributaries, California	1937	3
183	Montezuma River, Colo	1938	6
184	Montreal River, Mich. and Wis	1937	3
185	Mulock Creek, Fla	1937	5
186	Muskegon River, Mich	1937	3
187	Nanticoke River and tributaries, Maryland and Delaware	1950	205
188	Napa River and tributaries, California	1938	6
189	Napa River, Calif	1944	11
190	Navidad River, Tex	1937	3
191	Neuse River and tributaries, North Carolina	1937	3
192	Nine Mile drain and Carlow ditch, Macomb County, Mich	1950	205
193	Novato Creek and tributaries, Marin County, Calif	1941	4
194	Nueces River and tributaries, Texas	1936	6
195	Ohio River	1937	3
196	Ohio, area at and in the vicinity of Bellevue and the surrounding area of Seneca, Erie, Huron, and Sandusky Counties, Ohio	1948	204
197	Oklawaha River and tributaries and adjacent areas in Oklawaha and Marion Counties, Fla	1944	11
198	Oklawaha River and tributaries, Florida	1937	3
199	Opookta Creek, Attala County, Miss	1946	11
200	Ottawa River and tributaries, Ohio	1939	6
201	Otter River and tributaries, Michigan	1941	4
202	Paint Rock River, Ala	1936	6
203	Palolo and Manoa Valleys, island of Oahu, T. H	1950	205
204	Paonio (north fork of Gunnison River), Colo	1938	6
205	Pamunkey River, Va	1937	3
206	Pantego Creek, N. C	1948	204
207	Pasquotank River, N. C	1944	11
208	Patillas River and tributaries, Puerto Rico	1939	6
209	Peshtigo River, Wis	1937	3
210	Perquimans River, N. C	1950	205
211	Petaluma Creek and tributaries, Sanoma County, Calif	1941	4
212	Pigeon River, Minn	1937	3
213	Portage River and tributaries with particular reference to Middle Branch, Ohio	1939	6
214	Portuguez River and tributaries, Puerto Rico	1941	4
215	Potacocowa Creek, Miss	1946	11

See footnotes at end of table, p. 1899.

V. Authorizations not covered by preliminary examinations or surveys [1]—Continued

Item	Name and location	Flood control	
		Year	Section
216	Quebrada Arena River and tributaries, Puerto Rico	1941	4
217	Quiver River, Miss	1937	5
218	Rahway River and tributaries, New Jersey	1948	204
219	Rainy River, Minn	1937	3
220	Rappahannock River, Va	1937	3
221	Rehoboth Beach (see Delaware), Del	1944	11
222	Reno Beach, Lucas County, Ohio	1944	11
223	Rice Creek (a tributary of St. Johns), Fla	1948	204
224	Rio Grande Valley, lower, including streams in Starr, Hidalgo, Cimeron, and Willacy Counties, Tex	1950	205
225	River Rouge and tributaries, Michigan	1948	204
226	Rock Creek, Fla	1937	5
227	Rossville, Ga	1938	6
228	Saginaw River and tributaries, Michigan	1946	11
229	St. Francis River and tributaries, with special reference to Tyronya and Little Rivers; Big Creek; Blackfish, Fifteen Mile and Frenchman Bayous, and the tributaries of these streams, Arkansas	1946	11
230	Sacramento River Valley, Calif	1936	3
231	Sacremento River and San Joaquin River delta area, California	1950	205
232	Sacramento River below Red Bluff, Calif	1950	205
233	Sacramento River, Calif	1937	3
234	St. Francis Bay Strait Slough and tributaries, Arkansas	1946	11
235	St. Joseph River, Ind. and Mich	1936	6
236	St. Johns River, Upper, Fla	1941	4
237	St. Louis River, Minn. and Wis	1937	3
238	St. Lucie River North Fork and tributaries, Florida	1941	4
239	St. Marys River, Ohio	1937	3
240	Salmon Creek, in the vicinity of Juneau, Alaska	1941	4
241	Salmon River, Alaska	1937	3
242	San Diego County, all streams flowing into the Salton Sea, Calif	1941	4
243	Sandusky River, Ohio	1936	6
244	Sandusky River and tributaries, Ohio	1937	5
245	San Lorenzo Creek and tributaries, California	1937	5
246	San Lorenzo River, Santa Cruz County, Calif	1938	6
247	San Rafael Creek and tributaries, California	1944	11
248	Santa Isabel Creek, northwest of Laredo, Webb County, Tex	1938	6
249	San Joaquin River Valley, Calif	1936	6
250	San Joaquin River, Calif	1937	3
251	San Joaquin River from Herndon to Antioch and its main east side tributaries	1936	6
252	Six Mile Cypress Slough, Fla	1937	5
253	Short Creek and tributaries, Jefferson and Harrison Counties, Ohio	1938	6
254	Skagway River in vicinity of Skagway, Alaska	1937	5
255	Sonoita River, Santa Cruz County, Ariz	1936	6
256	Sonoma Creek, Calif	1938	6
257	Steinhatchee River, Fla	1948	204
258	St. Francis River, Ark. and Mo	1937	3
259	St. Mary's River, Ga	1937	3
260	St. Mary's River, Ga. and Fla	1950	205
261	Straight Creek, Ohio	1939	6
262	Sturgeon River, Mich	1937	3
263	Sturgeon River and tributaries, Michigan	1941	4
264	Sunflower River, Miss	1937	5
265	Susua River and tributaries, Puerto Rico	1941	4
266	Suwanee River, Ga. and Fla	1937	3
267	....do	1950	205
268	Susquehanna River, N. Y. and Pa. (survey on eastern part of upper Susquehanna and underway on lower Susquehanna)	1936	6
269	Susquehanna River, sources and headwaters, Pennsylvania (partially covered)	1936	6
270	Susquehanna River, West Branch, Pa	1937	3
271	Tangipahoa River, Miss. and La	1937	3
272	Tangipahoa River, La	1937	3
273	Tar River and tributaries, North Carolina	1937	3
274	Teche Bayou, La	1937	3
275	Teche-Vermillion waterways, Louisiana	1937	3
276	Temperance River, Minn	1937	3
277	Texas, streams and their larger tributaries flowing through Austin, Washington, Bastrop-Fayette, Calhoun-Victoria, Middle Guadalupe Basin, Navasota, and Copano Soil Conservation Districts, Tex	1950	205
278	Tickfaw River, La. and Miss	1937	3
279	Tiffin River and tributaries, Ohio and Michigan	1938	6
280	Toa Vaca River and tributaries, Puerto Rico	1939	6
281	Tobacco Run, Md	1950	205
282	Toro Negro River and tributaries, Puerto Rico	1939	6
283	Tradewater River, Ky	1937	3
284	Troublesome River at Kremmling, Colo	1938	6
285	Tennessee River	1937	3
286	Turpentine Run and tributaries, island of St. Thomas, V. I	1941	4
287	Twelve Pole Creek, W. Va	1937	3

See footnotes at end of table, p. 1899.

V. Authorizations not covered by preliminary examinations or surveys [1]—Continued

Item	Name and location	Flood Control	
		Year	Section
288	Tyronza River and tributaries (see St. Francis River), Arkansas	1946	11
289	Upper St. Johns River and marsh and tributaries, Florida	1941	4
290	Vermillion River, Minn	1937	3
291	Wacasassa River and tributaries and adjacent area in Gilchrist and Levy Counties, Fla	1944	11
292	Wacasassa River and tributaries, Florida	1937	3
293	Wailoa streams and tributaries, island of Hawaii, T. H	1939	6
294	Wailua River and tributaries, island of Kauai, T. H	1939	6
295	Waimea River and tributaries, island of Kauai, T. H	1939	6
296	Walnut Creek, drainage area, Contra Costa County, Calif	1950	205
297	Wappinger Creek, N. J	1937	3
298	Warroad River, Minn	1944	11
299	Watauga River, S. C	1936	6
300	West Divide, Colo	1938	6
301	Whitcoak Creek, Ohio	1939	6
302	Whitewater River, Calif	1937	5
303	Wisconsin, waterway from Rangeline Lake to Oconto River, Wis	1950	205
304	Withlacoochee River, Fla	1936	6
305	Wolf Creek, Ky	1936	6
306	Wolf River, Wis	1937	3
307	Yaguez River and tributaries, Puerto Rico	1941	4
308	Yampa River, Colo	1938	6
309	Yuba River, Calif	1938	6
310	Yuba River, north fork at city of Downiesville and vicinity, Sierra County, Calif	1938	6

[1] Preliminary examinations have been started but discontinued in the following areas: Ohio River (parts of northern tributaries); American, Calif.; Feather River, Calif.; Bear River, Calif.; Calaveras River, Calif.; Colorado, upper; San Joaquin, Calif.; Stanislaus-Toulumne River, Calif.
[2] Public Law 479.

Progress report on review resolutions, Mar. 1, 1953

Section	Status	Number of reports	Resolutions		Area	
			Number	Percent of total	Square miles	Percent of total area authorized
I	Reports submitted to the Congress	1	3	9.1	35,715	13.3
II	Reports under review	2	2	6.1	25,595	9.5
	Subtotal	3	5	15.2	61,310	22.8
III	Surveys in progress	11	21	63.6	57,016	21.3
	Subtotal	14	26	78.8	118,326	44.1
IV	Review resolutions not covered by surveys		7	21.2	150,118	55.9
	Total	14	33	100.0	268,444	100.0

Status of review reports and review resolutions as of Mar. 1, 1953

Item	Survey report	Area covered: square miles	Review resolutions—Public Works Committee		
			Name and location	House or Senate	Date
	I.—REPORTS SUBMITTED TO THE CONGRESS				
1	Missouri River (1st supplement) H. Doc. 530 (submitted to Congress July 3, 1952):				
	Blue	9,600	Big Blue River, Mo., Kans.	House	July 26, 1951
	Osage	15,300	Osage River, Mo., Kans.	do	Mar. 5, 1952
	Salt Wahoo	1,655	Salt-Wahoo portion of Missouri, Nebraska.	do	July 19, 1950
	Upper South Platte	9,160	Platte, Colo., Nebr., Wyo.[1]	do	Mar. 5, 1952
	Total	35,715	3 resolutions		
	II.—REPORTS UNDER REVIEW				
1	Trinity	17,634	Trinity River, Tex	House	June 17, 1948
2	Washita	7,961	Washita River watershed, Texas and Oklahoma.	Senate	Jan. 28, 1949
	Total	25,595	2 resolutions		

[1] Authorizations not completely covered.

III. Surveys in progress

Item	Survey report	Area covered, square miles	Review resolutions—Public Works Committee		
			Name and location	House or Senate	Date
1	Arkansas-White-Red	7,644.0	Canadian River, above Conchas Dam, New Mexico.	Senate	Sept. 24, 1948
			South Canadian River, above Conchas Dam, New Mexico.	House	Do.
2	Big Sioux	9,500.0	Big Sioux, S. Dak., Nebr., Minn., Iowa.	do	May 14, 1952
3	Colorado, middle	7,189.0	Colorado, Middle, Tex.	do	June 27, 1950
4	Coosa	4,020.0	Coosa, Ga., Tenn	Senate	Feb. 10, 1950
5	Loosahatchie	680.0	Loosahatchie, Tenn	House	July 26, 1951
6	Little Nemaha, Big Nemaha, and Weeping Water.	3,150.0	Nemaha, Nebr.	do	Do.
			Weeping Water Creek, Nebr.	do	Do.
			Missouri tributaries, Cass County, Nebr.	do	Mar. 5, 1952
			Platte tributaries, Cass County, Nebr.	do	Do.
7	Missouri (2d supplement)		Kansas River, Colo., Nebr., Kans.[1]	do	July 26, 1951
	Bill's Creek, Kans	24.6			
	Claussen Creek, Kans	17.0			
	Dry Creek, Nebr	48.9			
	Little Delaware, Kans	30.9	Delaware, Kans	do	Do.
	Lost Creek, Kans	19.7			
	Uehlin Creek, Kans	9.5			
	Wolf Creek, Kans	23.7			
	East Branch of South Fork of Blackwater.	19.7	Blackwater, Mo.[1]	do	Mar. 5, 1952
	Indian Creek, Iowa	15.3	Indian Creek, Iowa	do	July 26, 1951
	Honey Creek, Iowa	14.2	Chariton, Iowa[1]	do	Mar. 5, 1952
8	Nishnabotna Group, Iowa, and Missouri.	6,810.0			
	Boyer		Boyer, Iowa	do	July 26, 1951
	Nishnabotna		Nishnabotna, Iowa, Mo.	do	Do.
	Nodaway		Nodaway, Iowa, Mo.	do	Do.
	Tarkio		Tarkio, Iowa, Mo	do	Do.
9	Pajaro	1,300.0	Pajaro River watershed, California.	do	Apr. 5, 1949
10	Potomac	11,560.0	Potomac, North River, of Delaware, Maryland, Pennsylvania.	do	Oct. 15, 1949
			Potomac, entire, Delaware, Maryland, Pennsylvania.	do	June 27, 1950
			Potomac, Del., Md., Pa.	Senate	July 22, 1950
11	Susquehanna, upper	4,940.0	Susquehanna, upper, N. Y., Pa.	House	June 17, 1948
	Total	57,016.0	21 resolutions		

[1] Authorizations not completely covered.

IV. Review resolutions not covered by surveys

Item	Name and location	Area covered, square miles	Public Works Committee resolution		Remarks
			House or Senate	Date	
1	Blackwater, Mo	[1] 2,380	House	Mar. 5, 1952	Part only under survey.
2	Chariton, Iowa and Mo.	[2] 2,990	do	do	Do.
3	Kansas River, Nebr., Colo., and Wyo.	[3] 47,717	do	July 27, 1952	Do.
4	Muskingum River watershed, Ohio.	8,038	do	Mar. 5, 1952	
5	Platte, Colo., Nebr., and Wyo.	[4] 77,366	do	do	Part under survey and part complete.
6	Truckee-Carson-Walker, Calif., Nev.	9,035	Senate	Apr. 2, 1952	
7	Vermillion, S. Dak	2,592	do	May 19, 1952	
	Total	150,118	7 resolutions.		

[1] Estimated, balance of 20 square miles under survey, east branch of south fork of Blackwater, sec. III.
[2] Balance of 14 square miles under survey, Honey Creek, sec. II.
[3] The area 9,774 square miles of the Blue River, Bill's Creek, Claussen Creek, Dry Creek, Little Delaware River, Lost Creek, Uehlin Creek, Wolf Creek, not included, see secs. I and III.
[4] The area 9,160 square miles of the Upper South Platte Review not included, see sec. I.

SURVEYS COMPLETED, PENDING, AND APPROVED

Mr. ANDERSEN. Mr. Dykes, how many surveys have you completed?

Mr. DYKES. Sixteen surveys have been completed and are now before the Congress.

Mr. ANDERSEN. How many of these have been approved?

Mr. DYKES. None. These are in addition to the 11 authorized in 1944.

Mr. ANDERSEN. Eleven have been approved and on which work has been going on?

Mr. DYKES. Yes, sir; since the fiscal year 1946.

RECOMMENDATIONS BY HOUSE PUBLIC WORKS COMMITTEE

Mr. ANDERSEN. I note that the House Public Works Committee released an extensive report on the flood-control program of the various Federal agencies last December?

Mr. DYKES. Yes, sir.

Mr. ANDERSEN. In that report it is recommended that legislation be enacted to cancel the present authority to the Department for presently authorized surveys and that no additional authorization be made.

What was the basis for this recommendation?

Mr. DYKES. I presume that the basis for it was the extensive hearings that were held by the Public Works Committee. The Secretary of Agriculture, the Soil Conservation Service, and the Forest Service testified before the committee. It is tied up, in the thinking of that committee, with the flood-control work and the Corps of Engineers is responsible for that. On purely flood-control work, we are not too much in disagreement, because when we talk about controlling floods, we are talking about controlling something that is already there. I think the real place of this Department is in preventing floods. Flood prevention generally, we think, should be the responsibility of

the Department of Agriculture, particularly insofar as it relates to our agricultural lands on the headwater streams.

Mr. ANDERSEN. Apparently you are not in agreement with that recommendation, then?

Mr. DYKES. I will say we are not in agreement with it if the Department of Agriculture will be taken out of the flood-prevention work.

Mr. ANDERSEN. I am referring to their recommendation that legislation be enacted to cancel the present authority to the Department for presently authorized surveys and that no additional authorization be made. You are not in agreement with that recommendation by that particular committee?

Mr. DYKES. No, sir, we are not.

Mr. ANDERSEN. This same report also recommends that the Secretary of Agriculture obtain approval of the Secretary of the Army for construction. What would that do to your program, if adopted?

Mr. DYKES. Well, we think if that proviso was adopted, we would have difficulty putting in one of these little structures, such as Dr. Salter showed you—the stabilization structure—without first clearing it with the Corps of Engineers.

Mr. ANDERSEN. I would say you are rather conservative in your statement.

Mr. DYKES. It might even go so far, if you followed a strict interpretation of the law, as to require clearance on a terrace system on the farm.

Mr. ANDERSEN. This report also recommends that the Army be authorized to transfer to Agriculture funds for examinations and surveys. What effect would that proposal have on your request for funds for this activity?

Mr. DYKES. Of course, that is a part of a package proposal. That particular proposal that we get our funds for surveys as a part of the Army appropriation, was tied up with the one on writing the Department of Agriculture out of the flood-control program. If we were written out of the flood-control program, then we could not seek survey funds under the flood-control acts. I think even that committee recognizes that the Department of Agriculture has a contribution to make to the total job of flood control and that they are providing, since they have written us out in the first proviso, a way of bringing us back in. Under their proposal the corps would provide the funds when we are needed in connection with a total watershed program.

Mr. ANDERSEN. In the final analysis, the proposal by the House Public Works Committee would put this entire program under the domination of the Army engineers, would it not?

Mr. DYKES. It certainly would.

Mr. ANDERSEN. I disagree with that proposal, and I thought it well to have something in the record on the subject.

EFFECT OF DECREASED FUNDS FOR PRELIMINARY SURVEYS

I am concerned about this proposed decrease in funds for surveys and preliminary examinations. I note that is being decreased by $194,118. How much will that leave you for preliminary examinations and surveys for 1954?

Mr. DYKES. $500,000.

Mr. ANDERSEN. Just a few years ago did you not have approximately $1,500,000 for this same work?

Mr. DYKES. Yes, sir.

Mr. ANDERSEN. As I recall, we cut it quite heavily last year, did we not?

Mr. DYKES. That is correct. It was cut last year almost $1 million and this is an additional $194,000 cut.

Mr. ANDERSEN. I believe in saving money wherever possible, but there is also a limit as to how far we should go here. We certainly do not want to damage any worthwhile program.

Do you feel you will be handicapped if we take away this $194,000?

Mr. DYKES. Mr. Andersen, we would have to say that it would certainly not permit us to complete the survey program that we had contemplated when we made the recommendation.

Mr. ANDERSEN. I realize, of course, Mr. Dykes, that you people have to defend the budget when you come before us. At the same time this subcommittee wants correct information. And you say that you could not do the work that you would like to do if that cut is made, is that right?

CURRENT STATUS OF SURVEY ACTIVITIES

Mr. DYKES. Yes, sir. We have under way at the present time 35 surveys. Of those 35, during this fiscal year, we expect to complete 17 and that will leave 18 survey reports that will be incomplete on June 30 of this year. Of those 18 we will only be able, with the $500,000, to complete a relatively few of those surveys and make no new starts in the next fiscal year.

Mr. ANDERSEN. Where do you get your money for surveys of these numerous small projects preliminary to reporting to the Congress as to whether or not they are feasible?

Mr. DYKES. They come out of this item.

Mr. ANDERSEN. I know that there is no greater need in the State of Minnesota today—taking my State as an example—than there is to carry out flood-prevention projects in 3 or 4 areas which are practically flooded out.

These were formerly good farm areas and involve thirty and forty thousand acres each. Today the farmers of those areas are incapable of farming because of the rising of the water level to the point where they cannot operate.

I certainly think it is very false economy, gentlemen, if we hold this item down so that this much-needed work cannot be accomplished. You know about those projects, Mr. Marshall; one of them juts over into your district on the South Fork of the Crow River.

Mr. MARSHALL. I certainly do.

NATIONAL EXTENT OF FLOOD DAMAGE

Mr. ANDERSEN. Dr. Salter, you mentioned in your opening statement something to the effect that there is an area in the United States larger than the State of Iowa that is in need of flood-prevention work, in order to prevent further flood damage.

Dr. SALTER. There are 50 million acres of alluvial floodplain lands that are suffering flood damage more frequently than once in 10 years.

Mr. ANDERSEN. And this is some of the best land in the United States.

Dr. SALTER. Yes, sir; that is right.

IMPROVEMENTS UNDER FLOOD CONTROL ACTS

Mr. ANDERSEN. I note there is an increase of $1,064,213 for works of improvement under the Flood Control Act. What progress are you making, Mr. Dykes, on construction programs for the 11 approved watersheds?

Mr. DYKES. We are making pretty good progress with the money we have had to use in that respect.

Mr. ANDERSEN. You think you are spending the money wisely, do you?

Mr. DYKES. We believe so, Mr. Andersen.

Mr. ANDERSEN. How much was appropriated for this particular program in fiscal 1953?

Mr. DYKES. $5,222,116.

Mr. ANDERSEN. Will you give us a report on that?

Mr. DYKES. At the present time I think, perhaps, the easiest way to give a progress report, area by area, is to indicate the accumulative obligations through this fiscal year. This report would indicate we are not on the schedule that was set up in the beginning.

Mr. ANDERSEN. Suppose you insert a table on that matter at this point.

Mr. DYKES. We will be glad to do that.

(Table requested is as follows:)

Progress in the installation of flood prevention works of improvement, 11 watersheds authorized under the Flood Control Acts

SOIL CONSERVATION SERVICE

Watershed and location	Area in square miles	Original estimated Federal cost (adjusted to June 30, 1952 prices) [1]	Estimated total obligations on the 11 watersheds through fiscal year 1953	Percent cumulative obligations through fiscal year 1953 to total estimated cost col. (4) ÷ col. (3) [2]	Percent of work originally scheduled to be completed through fiscal year 1953	Estimated total obligations on the 11 watersheds through fiscal year 1954 (per revised budget)	Percent cumulative obligations through fiscal year 1954 to total estimated cost col. (7) ÷ col. (3) [2]	Percent of work originally scheduled to be completed through fiscal year 1954	Survey report estimate of years required to install total program
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1. Buffalo Creek, N. Y		5, 278, 837	1, 282, 716	24. 3	65	1, 582, 716	30. 0	71	
2. Colorado, Middle, Tex		5, 466, 790	1, 113, 407	20. 4	62	1, 455, 407	26. 6	68	
3. Coosa, Ga., Tenn		2, 316, 230	643, 308	27. 8	62	885, 308	38. 2	67	
4. Little Sioux, Iowa, Minn		8, 838, 200	5, 172, 858	58. 5	83	5, 992, 858	67. 8	87	
5. Little Tallahatchie, Miss		3, 406, 340	1, 644, 208	48. 3	62	2, 224, 708	65. 3	68	
6. Los Angeles, Calif		2, 979, 795	1, 194, 256	40. 1	93	1, 499, 256	50. 3	96	
7. Potomac, Pa., Va., Md., W. Va		1, 364, 160	515, 338	37. 8	59	630, 338	46. 2	64	
8. Santa Ynez, Calif		1, 588, 870	944, 414	59. 4	93	1, 114, 414	70. 1	95	
9. Trinity above Palestine, Tex		64, 813, 840	7, 149, 330	11. 0	71	9, 083, 330	14. 0	78	
10. Washita, Okla., Tex		22, 823, 290	6, 158, 696	27. 0	70	7, 540, 942	33. 0	76	
11. Yazoo, Miss		16, 871, 330	2, 612, 629	15. 5	62	3, 582, 629	21. 2	68	
Total		135, 747, 682	28, 431, 160	20. 9	70	35, 591, 906	26. 2	76	

FOREST SERVICE

1. Buffalo Creek, N. Y									
2. Colorado, Middle, Tex									
3. Coosa, Ga., Tenn									
4. Little Sioux, Iowa, Minn		175, 000	43, 111	24. 6	40	43, 111	24. 6	45	
5. Little Tallahatchie, Miss									
6. Los Angeles, Calif		4, 333, 000	[3] 677, 057	15. 6	46	[7] 860, 462	19. 9	54	
7. Potomac, Pa., Va., Md., W. Va		16, 511, 000	[4] 3, 833, 740	23. 2	84	[8] 4, 082, 823	24. 7	92	
8. Santa Ynez, Calif		255, 000	106, 017	41. 6	78	120, 017	47. 1	84	
9. Trinity above Palestine, Tex		568, 000	[5] 414, 180	72. 9	100	[9] 427, 180	75. 2	100	
10. Washita, Okla., Tex		129, 700	1, 631	1. 3	56	1, 631	1. 3	60	
11. Yazoo, Miss									
Total		17, 511, 000	[6] 600, 941	3. 4	46	[10] 876, 941	5. 0	55	
		39, 482, 700	5, 676, 677	14. 4	63	6, 412, 165	16. 2	71	

1. Buffalo Creek, N. Y.	437	5,278,837	1,282,716	24.3	65	1,582,716	30.0	71	18
2. Colorado, Middle, Tex.	7,189	5,466,790	1,113,407	20.4	62	1,455,407	26.6	68	20
3. Coosa, Ga., Tenn.	964	2,491,230	686,419	27.6	60	928,419	37.4	65	20
4. Little Sioux, Iowa, Minn.	2,720	8,838,200	5,172,858	58.5	83	5,992,858	67.8	87	15
5. Little Tallahatchie, Miss.	1,355	7,739,340	2,321,265	30.0	53	3,085,170	39.9	60	20
6. Los Angeles, Calif.	839	19,490,795	5,027,996	25.3	85	5,582,079	28.6	93	10
7. Potomac, Pa., Va., Md., W. Va.	6,573	1,619,160	621,355	38.4	62	750,355	46.3	67	24
8. Santa Ynez, Calif.	900	2,156,870	1,358,594	63.0	95	1,541,594	71.5	96	10
9. Trinity above Palestine, Tex.	12,907	64,943,540	7,150,961	11.0	71	9,084,961	14.0	78	15
10. Washita, Okla., Tex.	8,108	22,823,290	6,158,696	27.0	70	7,540,942	33.0	76	15
11. Yazoo, Miss.	5,035	34,382,330	3,213,570	9.3	54	4,459,570	13.0	61	20
Total	47,027	175,230,382	34,107,837	19.5	68	42,004,071	24.0	75	

[1] The figures in col. 3 reflect the costs shown in the survey reports adjusted to June 30, 1952, for changed price factor only and do not take into account pending or proposed program changes involved in survey reviews. Review of reports has been authorized on the Colorado (Middle), Coosa, Potomac, Trinity, and Washita watersheds. The reviews of the Trinity and Washita have progressed sufficiently to indicate that substantial revisions are needed in the works of improvement program with higher costs and corresponding higher benefits. Experience in carrying out the program under the original authorization and appropriation language, on the Buffalo Creek, the Little Sioux, the Little Tallahatchie and the Yazoo watersheds indicates that up-to-date estimates are needed of total program needs, costs, and benefits.

[2] For the purpose of this comparison, percent of obligations considered synonymous with percent of work completed based on original estimate which may be substantially revised when pending review reports are completed.

[3] Does not include $14,596 for operation and maintenance.

[4] Does not include $863,477 for operation and maintenance.

[5] Does not include $156,288 for operation and maintenance.

[6] Does not include $19,827 for operation and maintenance.

[7] Does not include $14,596 for operation and maintenance.

[8] Does not include $1,130,935 for operation and maintenance

[9] Does not include $205,288 for operation and maintenance.

[10] Does not include $19,827 for operation and maintenance.

Mr. WHITTEN. I would like added to that a table showing, by watersheds, the amount requested for this fiscal year under the first budget, and the amount to which that was reduced by the revised budget.

Mr. ANDERSEN. Will you have all that put in at this point, Mr. Dykes.?

Mr. DYKES. I think we have all of that except the amount in the first budget on this particular table which has been inserted in the record, and we can add that for you, Mr. Whitten, by watersheds and by budgets.

(Information requested is as follows:)

FLOOD-PREVENTION WORKS OF IMPROVEMENT

Revised budget estimates, 1954, compared with estimated obligations, 1953, and original budget estimates, 1954

Item	Estimated obligations, 1953	Original budget estimate, 1954	Revised budget estimate, 1954	Change, revised budget estimates, 1954, compared with—	
				Estimated obligations, 1953	Original budget estimate, 1954
A. 11 watershed programs authorized under flood-control acts:					
Buffalo Creek, N. Y.	$188,111	$565,000	$248,000	+$59,889	−$317,000
Colorado (middle), Tex.	188,284	639,000	294,000	+105,716	−345,000
Coosa, Ga.	135,413	167,000	167,000	+31,587	
Little Sioux, Iowa	760,240	750,000	750,000	−10,240	
Little Tallahatchie, Miss.	518,300	734,000	596,500	+78,200	−137,500
Los Angeles, Calif.	398,447	953,000	578,583	+180,136	−374,417
Potomac, Pa., W. Va., Md., Va.	39,338	56,000	56,000	+16,662	
Santa Ynez, Calif.	173,267	170,000	170,000	−3,267	
Trinity, Tex.	914,968	3,926,000	1,314,000	+399,032	−2,612,000
Washita, Okla., Tex.	866,035	2,089,000	1,197,246	+331,211	−891,754
Yazoo, Miss.	739,713	1,199,000	915,000	+175,287	−284,000
Emergencies	300,000			−300,000	
Subtotal	[1] 5,222,116	[2] 11,248,000	[3] 6,286,329	+[1], 064,213	−4,961,671
B. 7 watershed flood-prevention measures authorized under legislation other than flood-control acts:					
Brazos, Tex.		725,000			−725,000
Delaware, N. Y., N. J., Pa., Del., Md.		353,000			−353,000
Pecos, N. Mex., Tex.		295,000			−295,000
Savannah, Ga., N. C., S. C.		481,000			−481,000
Scioto, Ohio		189,000			−189,000
Sny, Ill.		265,000			−265,000
South Platte (upper), Colo.		425,000			−425,000
Subtotal		[4] 2,733,000			−2,733,000
Total	5,222,116	13,981,000	6,286,329	+1,064,213	−7,694,671

[1] In addition, $2,029,592 is available for land-treatment measures.
[2] In addition, $3,152,000 was estimated for land-treatment measures under appropriation items for Soil Conservation Service and Forest Service.
[3] In addition, $1,926,363 was estimated for land-treatment measures under appropriation items for Soil Conservation Service and Forest Service.
[4] In addition, $3,742,000 was estimated for land-treatment measures under appropriation items for Soil Conservation Service, Forest Service, and agriculture-conservation program.

PROGRESS ON 11 APPROVED WATERSHEDS

Mr. ANDERSEN. Will you proceed, Mr. Dykes, in you general discussion of the work on these 11 approved watersheds?

Mr. DYKES. I would like to say this from the table which we have at hand: At this time, or at the end of fiscal 1953, according to the

schedule that was originally developed watershed by watershed, we should be about 68 percent done with the job in these 11 watersheds. I am sorry to tell you that we are only 19.5 percent done with the job in these watersheds. I should further explain that this is on an accumulated fund basis, and, perhaps, does not recognize fully the total progress that we have made. To say we are nearly 20 percent done on the job in these 11 watersheds is probably giving too high a figure, because we know from our review reports on the Washita and on the Trinity that the total figure is going to be up some. I think it is liable to go up on some of the others on being reviewed; but, on the basis of the information now available, we should be 68 percent done, and we are 19.5 percent done. That is on the basis of funds that have been appropriated by the Congress for the purpose of carrying out the works of improvement called for in the survey reports.

Mr. ANDERSEN. At the present rate of progress, when will the work on the 11 watersheds be completed?

Mr. DYKES. This year will be the 7th year we have been on it and with 20 percent of it done, the total would be 5 times 7. It would be another 28 years at the present rate of progress.

Mr. ANDERSEN. For a total of 35 years?

Mr. DYKES. A total of 35 years, when the longest time contemplated on any of the watersheds was a 20-year period.

Mr. ANDERSEN. I would like to ask Mr. Loveridge of the Forest Service if he has any comments which he might care to add.

Mr. LOVERIDGE. Nothing in particular, Mr. Chairman, that Mr. Dykes has not already covered. If there is any particular watershed on which you want comment, I would be very glad to offer a statement.

Mr. ANDERSEN. No; not at this time.

Mr. LOVERIDGE. We have joined with the Soil Conservation Service in preparing the material.

Mr. ANDERSEN. I understand that.

PROVISIONS OF THE FLOOD CONTROL ACT DELEGATING RESPONSIBILITY

Mr. WHITTEN. I think it would be well for the record to show, Mr. Chairman, the provisions of the Flood Control Act of 1936 that fixed the responsibility of the Corps of Engineers and the Department of Agriculture.

Mr. ANDERSEN. That will be inserted at this point.

(Information requested is as follows:)

[PUBLIC, No. 738, 74TH CONG.]

AN ACT Authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes

* * * * * * * *

SEC. 2. "* * * Federal investigations and improvements of rivers and other waterways for flood control and allied purposes shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers, and Federal investigations of watersheds and measures for runoff and waterflow retardation and soil erosion prevention on watersheds shall be under the jurisdiction of and shall be prosecuted by the Department of Agriculture under the direction of the Secretary of Agriculture, except as otherwise provided by Act of Congress; and that in their reports upon examinations and surveys, the Secretary of War and the Secretary of Agriculture shall be guided as to flood-control measures by the principles set forth in section 1 in the determination of the Federal interests involved: *Provided*,

That the foregoing grants of authority shall not interfere with investigations and river improvements incident to reclamation projects that may now be in progress or may be hereafter undertaken by the Bureau of Reclamation of the Interior Department pursuant to any general or specific authorization of law."

* * * * * * *

Approved, June 22, 1936.

APPROPRIATIONS COMPARED FOR FLOOD CONTROL AND FLOOD PREVENTION

Mr. WHITTEN. I further desire some information which I think should be in this record, but I want it to be clearly understood that this is not for the purpose of trying to enter into this present controversy between the Corps of Engineers and the Soil Conservation Service as to how these matters should be handled. I want it for the purpose of showing the rate at which the Congress has carried on the work through the Corps of Engineers and the relatively slow rate at which we have made funds available for the work in the watersheds.

For that reason, I would like in the record, from 1937 to date, a statement showing the amount of funds which have been appropriated by the Congress for flood control to the Corps of Engineers and the amount of money that has been appropriated for the works of improvement in the watersheds.

(Information requested follows:)

During the fiscal years 1937–53, inclusive, there was appropriated for flood control purposes to the Corps of Engineers some $3,619,200,000 and to the Department of Agriculture for flood prevention purposes $54,522,367, of which $34,107,837 was allocated for installation of watershed works of improvement on the 11 authorized watersheds.

Mr. WHITTEN. I am somewhat surprised to see the present differences between the Corps of Engineers and the Soil Conservation Service, because I remember very well the day when the problem was that they got along too well. The Corps of Engineers accepted their responsibility for the main streams and the big dams and the Soil Conservation Service accepted their responsibilities on the hillsides. But with regard to the area from the foot of the hill out to the main stream, where the farmers had to make their living, each was so nice to the other that they said "You take it." It took this committee about 8 years to get that remedied, and we finally got a provision of law which applied only to the watersheds in my district to start with, and which was later applied to other areas, which defined where the responsibilities and authority of each began and ended. So, there is no "no man's land" in between today.

Now, I realize that we have lots of problems in this country and that we have an unbalanced budget and that we have been spending too much money. The table which is in the first part of these hearings, shows agricultural appropriations down 30 percent or more from 1940, while most of the major departments are up substantially. And I want to repeat again that in my judgment the more serious our financial situation is and the more our financial system may be threatened, the more attention we must give to our real wealth, which is the land and the soil and the trees.

FUNDS NEEDED FOR FLOOD-PREVENTION PROGRAM

How much money do we need to carry out the work on these watersheds that was contemplated by the Congress in the act of 1936? How much money ought to be appropriated for us to do this job on the scale that the Congress said we should do it whan the act was passed?

Mr. DYKES. Mr. Whitten, we believe that we could have used the funds in the original budget on these 11 approved watersheds this year. We think we have the staff to do it, and we do not think there was any intent on the part of anyone to simply deny the need for the work, but it was a matter, as was explained to us, of balancing the budget. Mr. Coke might want to comment on that.

REDUCTION OF PROJECTS BY REVISED BUDGET

Mr. WHITTEN. I want to ask that you show in the record, by watersheds, what work that is needed and was planned for in the original budget will be eliminated as a result of the revised budget.

Mr. DYKES. We can provide that.

(The information requested is as follows:)

FLOOD PREVENTION WORKS OF IMPROVEMENT

MEASURES THAT CANNOT BE INSTALLED BECAUSE OF REVISION IN BUDGET IN THE FLOOD PREVENTION ITEM

With respect to the projects under way, the following measures would have been installed:

1.	Buffalo Creek, N. Y.:		
	Channel stabilization	miles	4
	Waterways	do	6
	Water control structures	each	23
	Sediment retention structures	do	1
2.	Colorado River, Middle, Tex.:		
	Detention reservoirs	do	6
	Major gully control structures	do	3
	Floodwater diversions	miles	4. 5
	Flood control waterways	do	5. 5
3.	Coosa River, Ga., Tenn.: No change.		
4.	Little Sioux River, Iowa, Minn.: No change.		
5.	Little Tallahatchie River, Miss.:		
	Channel stabilization (vegetative)	do	2
	Desilting areas and basins	each	2
	Revegetating critically eroding areas	acres	50
	Tree planting for erosion control	do	2, 000
6.	Los Angeles, Calif.:		
	Channel improvement	miles	2
	Waterway stabilizing structures	each	3
	Channel and sediment stabilizing structures	do	8
	Erosion control on roads	miles	10
	Installation of fire protection equipment	items	25
7.	Potomac River, Va., Md., W. Va., Pa.: No change.		
8.	Santa Ynez River, Calif.: No change.		
9.	Trinity River, Tex.:		
	Detention reservoirs	each	42
	Floodwater diversions	mile	17. 5
	Roadside runoff and erosion control	do	3. 3
	Flood control waterways	do	23

10. Washita River, Okla., Tex.:		
Detention reservoirs	each	42
Major gully control structures	do	12
Floodwater diversions	miles	5.7
Flood control waterways	do	1.0
Roadside runoff and erosion control	do	1.2
11. Yazoo River, Miss.:		
Gully stabilizing structures	each	28
Roadside runoff and erosion control	miles	32
Channel improvement	do	7
Streambank stabilization	do	30
Lateral channel improvement	do	25
Desilting areas and basins	each	95
Revegetating critically eroded areas	acres	2,500
Tree planting for erosion control	do	4,000

With respect to the 7 new watersheds, subwatershed work plans, development of cooperation with local groups and States would have been done in addition to which the following measures were estimated to be installed:

1. Brazos, Tex.:		
Detention reservoirs	each	7
Drop inlet structures	do	8
Erosion control structures	do	4
Floodwater diversions	miles	10
Subwatershed waterways	do	5
2. Delaware, N. Y., Pa., Md., N. J., Del.:		
Detention reservoirs	each	4
Stream channel improvement	miles	1.2
Diking	do	.4
3. Pecos, N. Mex., Tex.:		
Detention reservoirs	each	2
Drop inlet structures	do	10
Erosion control structures	do	5
Floodwater diversions	miles	10
Floodways	do	2.5
Streambank protection	do	2
Road erosion control measures	do	50
Fencing of eroded areas	do	40
Revegetation of eroding areas	acres	100
4. Savannah, N. C., S. C., Ga.:		
Subwatershed waterways	miles	25
Stream channel improvement	do	35
Gully stabilization	acres	5,000
Roadbank stabilization	miles	200
5. Scioto, Ohio:		
Floodwater retarding structures	each	3
Subwatershed waterways	miles	5
6. Sny, Ill.:		
Floodwater retarding structures	each	4
Subwatershed waterways	miles	10
7. Upper South Platte watershed:		
Detention reservoirs	each	6
Floodways	miles	3
Installation road erosion control measures	do	20
Fencing of eroded areas	do	10
Revegetation of eroding areas	acres	1,300
Check dams for erosion control	each	2,000
Contour trenches for runoff control	miles	200
Streambank stabilization	do	50

In addition to the above, the adjustment in the budget for land treatment measures, in the items carried under the Agency national programs will result in a corresponding reduction of accomplishments.

LOCATION AND AUTHORITY FOR SEVEN NEW WATERSHEDS

Mr. WHITTEN. Also, in connection with these seven new watersheds, I want you to list those by location, showing the authority for proceeding with the work. They, too, were in the original budget, were they not?

Mr. DYKES. Yes, sir, they were.

Mr. WHITTEN. They do not have the full authorization as these other 11 have. But, as I understand it, there is authority in the law for work to proceed, and it is that provision that I want inserted in the record at this point.

(The information requested is as follows:)

WATERSHED AND STATE

1. Brazos, Tex.
2. Delaware, N. Y., Pa., Md., N. J., and Del.
3. Pecos, N. Mex., and Tex.
4. Savannah, N. C., S. C., and Ga.
5. Scioto, Ohio
6. Suy, Ill.
7. Upper South Platte, Colo., and Wyo.

The legislative authorities for submitting the fiscal year 1954 estimates of the seven new watersheds are cited in an opinion (No. 5547) of the Solicitor, United States Department of Agriculture, dated August 11, 1952. The opinion cites the following acts of Congress as authority for doing the work proposed in 1954.

WITH RESPECT TO MEASURES PRIMARILY FOR FLOOD PREVENTION

Soil Conservation Act of April 27, 1935
Soil Conservation and Domestic Allotment Act of February 29, 1936
Title III, Bankhead-Jones Farm Tenant Act of July 22, 1937
Acts relating to the administration of the national forests and the title III, Bankhead-Jones Farm Tenant Act lands

WITH RESPECT TO ADDITIONAL MEASURES TO ACCELERATE FLOOD PREVENTION

Soil Conservation Act of April 27, 1935
Soil Conservation and Domestic Allotment Act of February 29, 1936
Clarke-McNary Act of June 7, 1924
Cooperative Forest Management Act of August 25, 1950
Title III, Bankhead-Jones Farm Tenant Act of July 22, 1937
Acts relating to the administration of the national forests and the title III Bankhead-Jones Farm Tenant Act lands

Certain of the acts listed above contain limitations which would affect the extent to which the various measures may be carried out. The Act of February 29, 1936, provides that no total payment for any year to any person shall exceed $10,000, and contains a limitation of $500 million on the amount authorized to be appropriated for any fiscal year. The limitations contained in annual appropriation acts for the agricultural conservation program concerning the distribution of funds among the States, maximum payments, and the next year's program are not a part of the permanent basic legislation. Language to appropriate amounts in excess of the advance authorization, therefore, would not be subject to a point of order. Section 2 of the Clarke-McNary Act authorizes a forest fire prevention and suppression program only with respect to timbered or forest-producing lands or watersheds from which water is secured for domestic use or irrigation. Sections 2 and 4 of the Clarke-McNary Act also require the matching of funds, and the act contains limitations of $20 million ($19 million for fiscal year 1954) and $2,500,000 on appropriations authorized to be made annually to carry out sections 2 and 4 respectively. The Cooperative Forest Management Act requires the matching of funds and contains a limitation of $2,500,000 on the amount authorized to be appropriated annually.

The Bureau of the Budget approved the following appropriation language for the fiscal year 1954 flood-prevention estimates:

"For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (Public Law 738), as amended and supplemented, *and in accordance*

with the provisions of laws relating to the activities of the Department, to make preliminary examinations and surveys, and to perform works of improvement * * *"

This change in language would have relocated within the item the words "in accordance with the provisions of laws relating to the activities of the Department" to provide for the use of funds appropriated under this item for the installation of flood prevention measures in accordance with existing authorities already available to the Department under other than the Flood Control Acts.

Mr. DYKES. I have some rough figures for you on your first question, Mr. Whitten. I think these ought to be checked, but concerning the appropriations from 1937 to 1953, the Corps of Engineers had $3,619,200,000 for civil works during that period. The United States Department of Agriculture had during the same period $54,522,367 and that included preliminary examinations and surveys. These are totals on flood control that include both the surveys and the works of improvement program.

Mr. WHITTEN. As I have stated before, if I have any claims to fame, I feel it will come from having the title of this appropriation changed to flood prevention.

KANSAS-MISSOURI FLOOD DISASTER, 1951

I think the record should show here just how much money this Kansas-Missouri flood cost the Federal Government, including the amount in direct grants, the amount of Federal loss and the damage to the people. To my mind, that is an infamous example of the destruction which happens as the result of giving too little attention to the watersheds in that area. At I have said on the floor of the House during the debate on appropriations for that disaster, one of the worst jobs I have ever had to do was to sit on this committee and turn down some of the funds in connection with that flood problem. I cannot stress too strongly my feelings and my belief that the answer to all of this problem is flood prevention in the watersheds.

(Information requested is as follows:)

Estimated cost of the 1951 Kansas River Basin flood

Item	*Cost*
Floodwater and sediment damages above proposed and existing flood protection measures:	
Agricultural property	$92, 150, 000
Land damage	9, 370, 000
Reservoir damage by silting	6, 830, 000
Subtotal [1]	108, 350, 000
Floodwater damages below existing and proposed flood protection measures:	
Kansas	736, 000, 000
Missouri	139, 000, 000
Subtotal [2]	875, 000, 000
Emergency aid and relief, and loss of business income outside of flooded areas [3]	112, 444, 000
Grand total monetary cost	1, 095, 794, 000

[1] Unpublished report of Investigation of Kansas Flood Area, 1951, Soil Conservation Service, U. S. Department of Agriculture.

[2] The Kansas-Missouri Flood of 1951, H. Rept. 779, 82d Cong., 1st sess.

[3] Preliminary report, Flood Protection in Kansas River Basin, for Kansas Industrial Development Commission, February 1953, p. 17.

Estimated cost of the 1951 Kansas River Basin flood—Continued

Item	Cost
Amount of Federal funds made available for relief and rehabilitation of flood-stricken areas for the 1951 Kansas River Basin flood:[1]	
Approved July 18, 1951:	
Direct relief	$25,000,000
Emergency funds of President	800,000
Total	25,800,000
Approved Oct. 24, 1951:	
Conservation and use of agricultural resources	16,480,000
Administration, conservation, and use	1,780,000
Soil Conservation Service, salaries and expenses	1,960,000
Total	20,220,000
Farmers' Home Administration addition to disaster loan:	
Revolving fund	30,000,000
Disaster relief	5,000,000
Reconstruction Finance Corporation (disaster loans)	100,000,000
Administration	17,750,000
Total	152,750,000

[1] H. Rept. No. 1092, 82d Cong., 1st sess.; Public Law 202, 82d Cong., Ch. 555—1st sess., H. J. Res. 341.

NOTE.—Additional funds were expended by other agencies from other appropriations. Information on these funds are not available to this agency.

SOIL EROSION ON 11 APPROVED WATERSHEDS

Mr. WHITTEN. I would like to show, in connection with the 11 watersheds, the percentage of the land that is already washed away and the amount of annual damage that has resulted. I do this for the purpose of showing what delay in completing this job will mean in the further destruction of the soil, as well as other losses.

Mr. DYKES. I believe we can give you pretty good figures on that. (The information requested is as follows:)

Information is not available on the percentage of land that has washed away in these watersheds since the time they first began to be used for agricultural purposes. The survey reports, however, included estimates of average annual flood damages and erosion and production losses. Applying these estimates of annual average loss to the delayed schedule of completion provides the following approximations of damage which might have been prevented had the works of improvement proceeded on schedule:

Explanation	Buffalo	Little Tallahatchie	Yazoo	Trinity	Washita
1. Total flood damages not prevented over first 7 years of operations	$950,000	$122,000	$3,000,000	$15,000,000	$3,100,000
2. Total erosion and production losses not prevented over first 7 years of operations	2,950,000	298,000	11,300,000	50,000,000	5,500,000
(a) Total equivalent acres on which production has not been realized	$98,000	$9,900	$375,000	$1,700,000	$185,000
3. Approximate number of years behind schedule	2.6	1.1	5.1	6.3	5.8

Work in the Potomac and Santa Inez River watersheds is on schedule in accordance with the original survey recommendations. Data are not at present available for the Coosa, Little Sioux, Middle Colorado and Los Angeles River watersheds. A resurvey for the Coosa River watershed will be completed this fiscal year and resurvey will be undertaken on the Little Sioux and Middle Colorado watersheds next year if funds are made available under the survey item of this appropriation. The situation in the Los Angeles River watershed is complicated by the rapid urbanization of the main area of overflow. It is expected that a reappraisal of the work in this watershed will be made in the near future with a view to determining the remaining work to be done under the present authorization.

STATUS OF UNAPPROVED WATERSHED PROJECTS

Mr. WHITTEN. I would also like to have a statement broken down by watershed showing the number of surveys under way and completed, when they were started and when submitted to the Budget Bureau and the Congress.

Mr. DYKES. We have that complete information and we can give it to you, or we can put it in the record.

Mr. ANDERSEN. Please place it in the record.

(The information requested is as follows:)

Data on 7 watersheds eliminated in revised budget

	Location by States	Survey area (square miles)	Survey authorized	Survey started (fiscal year)	Date report submitted to—			Date approved by Bureau of Budget	Date sent to Congress
					Department	Federal Interagency River Basin Commission	Bureau of Budget		
Brazos	Texas	41,997	1937	1949	Mar. 12, 1951	May 5, 1951	Feb. 5, 1952	Feb. 25, 1952	Mar. 10, 1952
Delaware	New York, Pennsylvania, New Jersey, Delaware, Maryland.	12,763	1937	1950	Apr. 20, 1951	May 4, 1951	Jan. 22, 1952	Mar. 6, 1952	Mar. 19, 1952
Pecos	New Mexico, Texas	33,200	1938	1940	Feb. 21, 1951	Mar. 12, 1951	Jan. 30, 1952	Mar. 6, 1952	May 20, 1952
Savannah	North Carolina, South Carolina, Georgia.	10,579	1937	1948	Sept. 21, 1951	Jan. 15, 1952	Apr. 17, 1952	Sept. 15, 1952	Sept. 30, 1952
Scioto	Ohio	6,510	1937	1946	Dec. 4, 1950	Dec. 20, 1950	June 6, 1951	Mar. 5, 1952	Mar. 19, 1952
Sny	Illinois	742	1937	1942	July 11, 1950	July 21, 1950	Jan. 9, 1951	Feb. 25, 1952	Mar. 10, 1952
Upper South Platte	Colorado, Wyoming	9,160	1939	1952	Feb. 22, 1952	Apr. 10, 1952	Apr. 16, 1952	June 2, 1592	[1] July 3, 1952

[1] Submitted as a part of the first supplement to Missouri River Basin report.

Additional watersheds for which reports have been submitted to the Congress since 1945

Watershed and location	Area in square miles	Date fiscal year survey started	When reported to department	Date sent to FIARBC [1]	Date sent to Bureau of Budget	Date approved by Bureau of Budget	Date sent to Congress
1. Blue, Nebr., Kans.[2]	9,600	1952	Feb. 22, 1952	Apr. 10, 1952	Apr. 16, 1952	June 2, 1952	July 3, 1952
2. Grand (Neosho), Mo., Kans., Ark., Okla.	12,660	1940	Aug. 2, 1952	Aug. 10, 1950	Jan. 31, 1951	Feb. 20, 1952	Feb. 27, 1952
3. Green River, Ky., Tenn.	9,273	1949	July 14, 1950	July 19, 1950	Nov. 6, 1950	Aug. 9, 1951	Oct. 19, 1951
4. Pee Dee, N. C., S. C., Va.	6,870	1940	July 20, 1950	July 25, 1950	Jan. 22, 1951	Feb. 25, 1952	Mar. 10, 1952
5. Osage, Kans., Mo.[2]	15,300	1952	Feb. 22, 1952	Apr. 10, 1952	Apr. 16, 1952	June 2, 1952	July 3, 1952
6. Queen Creek, Ariz.	880	1939	Aug. 28, 1950	Sept. 7, 1950	May 2, 1951	Feb. 25, 1952	Mar. 10, 1952
7. Salt Wahoo, Nebr.[2]	1,655	1951	Feb. 22, 1952	Apr. 10, 1952	Apr. 16, 1952	June 2, 1952	July 3, 1952
8. Sevier Lake, Utah	8,389	1940	May 4, 1950	June —, 1950	May 2, 1951	Mar. 6, 1952	Mar. 19, 1952
9. Youghiogheny, Pa., Md., W. Va.	1,762	1939	June 11, 1951	June 22, 1951	Apr. 18, 1952	Oct. 1, 1952	Oct. 13, 1952

[1] Federal Inter-Agency River Basin Committee.
[2] First Supplement (H. Doc. 530, 82d Cong., 2d sess.) to Missouri River Basin Report (H. Doc. 373, 81st Cong., 1st sess.).

Data concerning 24 watersheds under review

Watershed and location	Area in square miles	Date fiscal year survey started	When reported to department	Date sent to FIARBC [1]	Date sent to Bureau of Budget
1. Apalachicola, Ala., Fla., and Ga	19,730	1949	Dec. 17, 1952		
2. Boise, Idaho	4,134	1939	May 28, 1952	Dec. 23, 1952	
3. Connecticut, Mass., N. H., Vt., and Conn.	11,260	1940	Feb. 13, 1952	Dec. 18, 1952	
4. Cuyahoga, Ohio	810	1951	Jan. 29, 1953		
5. East Fork of White and Patoka, Ind	6,630	1948	Nov. 19, 1951	Feb. 8, 1952	[2] Oct. 3, 1952
6. East Willow Creek, Minn	37.5	1952	Feb. 4, 1953		
7. Fountain Creek, Colo	927	1939	July 18, 1951	Dec. 6, 1951	[2] Sept. 29, 1952
8. Kentucky, Ky	6,935	1950	Dec. 18, 9152		
9. Lost Creek, Mo	14.0	1952	Feb. 5, 1953		
10. Lower Arkansas, Ark., Okla	17,549	1940	Sept. 21, 1951	Jan. 10, 1952	
11. Mojave part of Wrightwood, Calif	13.3	1947	May 29, 1949		
12. Rio Grande, N. Mex. and Tex	52,419	1939	July 18, 1952	Feb. 21, 1953	
13. Roanoke, Va. and N. C	9,580	1942	Aug. 27, 1951	Aug. 25, 1952	
14. Russian, Calif	1,508	1949	Dec. 15, 1950	Jan. 4, 1951	
15. Salinas, Calif	4,875	1946	July 5, 1951	Jan. 30, 1953	
16. San Gabriel-Santa Ana, Calif	3,183	1938	Dec. 29, 1952		
17. Santa Clara-Ventura-Calleguas Creek, Calif.	2,173	1947	Oct. 20, 1952		
18. South Fork of the Crow, Minn	225	1952	Mar. 9, 1953		
19. Trinity (review) and San Jacinto, Tex.	23,004	1950	July 2, 1952	Jan. 9, 1953	
20. Virgin, Utah	17,233	1947	Sept. 9, 1952		
21. Walla Walla, Wash	1,800	1940	June 21, 1951	June 26, 1951	
22. Wasatch Front, Utah	2,254	1942	Oct. 15, 1951	Jan. 9, 1952	
23. Washita (review), Okla. and Tex	7,961	1951	Mar. 20, 1952	Jan. 2, 1953	
24. White River above Norfork, Ark. and Mo.	9,872	1940	Oct. 16, 1951	Jan. 16, 1952	

[1] Federal Inter-Agency River Basin Committee.
[2] Returned by the Bureau of the Budget to the Department on Jan. 27, 1953, for further consideration.

NEEDED FOR COORDINATED FLOOD PREVENTION AND CONTROL PROJECTS

Mr. WHITTEN. In my own area we have four streams which, under an act of Congress passed before I came here, provided for the Corps of Engineers to build four dams across these rivers. Part of this Flood Control Act also provided for work to be done on the watershed above the dams. Two of the dams were built and the war held up the other two but they are now practically completed. However, we have lagged 10 or 12 years behind in the promised work on the watershed, and the pictures which I have shown here today illustrate the damage that we have suffered. A considerable part of it comes from the fact that the Federal Government itself has stopped up the outlets to those rivers, and this leaves the responsibility on the Federal Government to do the watershed work. In my judgment, any further delay is failing to live up to its obligations, and will cause more damage. That same situation I know exists in many other sections of the country and affects them just as vitally.

INCORPORATION OF "FLOOD PREVENTION" UNDER SCS

Mr. ANDERSEN. Mr. Coke, why not put "Flood prevention" appropriations under SCS now?

Mr. COKE. I do not know the answer to that question.

Mr. ANDERSEN. Perhaps, Mr. Roberts might have something on that.

Mr. ROBERTS. If you have in mind, Mr. Chairman, placing the appropriation under the major heading "Soil Conservation Service," still identifying it as a separate appropriation "Flood prevention," I

would see no objection. That is my opinion, at least, without thinking through on it. I would want to think about it further before saying it would be a good thing to actually consolidate this appropriation with that for work in the districts and for research.

Mr. ANDERSEN. You think it might become confused?

Mr. ROBERTS. It might not be advisable. Such an action would merge this watershed program with the national program of assistance to soil-conservation districts.

Mr. ANDERSEN. Mr. Roberts, would it be advisable to put it under the SCS heading?

Mr. ROBERTS. I would see no objection to just taking it out of its present place in the bill, and putting it over with the SCS appropriation provided it is still identified for "Flood prevention."

TRANSFERS TO OFFICES OF SECRETARY AND SOLICITOR

Mr. ANDERSEN. Will you discuss the transfers to the Secretary and to the Solicitor, Dr. Salter? What functions do these transfers cover?

Dr. SALTER. The transfer to the Secretary's office provides, primarily, for the retention on the Secretary's staff of one man. It will be Mr. Gladwin Young, I believe. He will represent the Secretary on the Federal Interagency River Basin Committee, and will advise the Secretary on this problem of flood prevention.

Mr. DYKES. The transfer to the Solicitor's organization covers the expense of reviewing every single report which we send out. The reports must be approved by the Solicitor as to the legality of the proposals that we make and to see that they are in accordance with the law. We call on them for advice of all kinds in connection with this program.

Mr. ANDERSEN. The logical question then comes to mind as to why we do not make these appropriations direct to the Secretary's office and to the Solicitor, rather than providing for this transfer?

Mr. ROBERTS. That has been a recurring question, Mr. Andersen, that has come up over a number of years. If you will remember, when we eliminated the transfers from other appropriations to both the Solicitor's Office and the Secretary's Office, we continued the transfers from flood control and from the Commodity Credit Corporation. The Commodity Credit Corporation transfers have never been eliminated, because there is nothing you can reduce on the other side of the transfer as those transfers are made from capital funds of the Corporation. On flood control, we have not, thus far, eliminated the transfers, because frankly, this program has been pretty much in a flux for a number of years. We have not known whether this program was going to be big or small, and we have felt until we knew a little more about where we were going on the program, it would be inadvisable to try to correlate expenses in these two Offices for work being done on the program and which is so closely related to the flood-control program itself. We would still have some difficulty in making the adjustment insofar as the Solicitor's Office is concerned, because the work there is governed pretty much by the volume of work handled in the program itself.

In view of the reorganization in the Secretary's Office under departmental memorandum 1325, if the committee wishes, the $17,000 might

be made available by direct appropriation. I do not believe under the present organizational arrangement there should be any fluctuation in the work in the Secretary's Office.

Mr. ANDERSEN. I wish you would place in the record, Dr. Salter, a description of the 23 so-called economists paid from funds for flood prevention. Give us their names and duties and just what they do.

(The information requested is as follows:)

AGRICULTURAL ECONOMISTS ENGAGED ON FLOOD-PREVENTION PROGRAMS

Bureau of Agricultural Economics:
- GS–13, E. L. Greenshields
- GS–13, M. M. Thorpe
- GS–13, vacancy
- GS–12, R. D. Davidson
- GS–12, W. A. Green
- GS–12, A. J. Walrath
- GS–12, M. L. Weinberger
- GS–11, W. F. Hughes

Agricultural economists work on flood-prevention programs as consultants on request of the Soil Conservation Service and Forest Service. The economists participating in the work are largely responsible for providing economic standards, procedures and data to assist the other agencies in making determinations concerning the benefits and costs of the proposed program including the economic effects of major segments of the proposed programs. They also assist in the development of techniques used in the evaluation of various measures and practices included in the program.

Contributions are made toward the preparation of agricultural program proposals for river basins through assembling and interpreting basic data, for basins and subareas, on existing and potential agricultural resources, including land utilization, land values, tenure, sizes and types of farms, productivity, population and other related factors; and through appraising possible adverse effects of major reservoir developments on the local economy. In addition, they consider probable effects of program development on agricultural production and prices, and indicate possible alternative means of accomplishing comparable benefits at lower costs.

They further participate in the work of interagency and State and local groups in developing evaluation standards and procedures for achieving balanced water use and control programs. In this work they function as consultants to the agencies which carry out the operations programs.

Forest Service:
- GS–14, J. C. Rettie
- GS–12, Martin Mavers

Soil Conservation Service:
- GS–12, E. C. Ford
- GS–11, L. B. Adkinson
- GS–11, N. H. Buck
- GS–11, Rudy Isler
- GS–11, G. B. Railsback
- GS–9, J. A. Bilyeu
- GS–9, J. M. Cunningham
- GS–9, D. H. Esry
- GS–9, R. N. Lane
- GS–9, C. V. Lyle
- GS–9, E. L. McVicker
- GS–9, vacancy
- GS–9, vacancy

Economists are employed by the Soil Conservation Service and Forest Service for the purpose of determining whether the benefits accruing under proposed installation of works of improvement in individual watershed areas are in excess of the estimated costs of installation, as required by the Flood Control Act of 1936. They also participate in the analysis and review of the economic aspects of reports prepared by other Federal agencies dealing with flood prevention, reclamation and irrigation, power, and drainage, in order that there may be coordination of all reports on watershed management and treatment before a survey report is submitted to Congress.

These employees are professionally trained in the field of agricultural economics and conduct investigations to determine the economic feasibility of measures primarily for flood prevention, and other works pertaining to the conservation, use, management and disposal of water. They also conduct appraisals of the value of agricultural land, evaluate the damages resulting from floodwaters and sediment deposits, and evaluate the effect of a proposed watershed works of improvement program on reduction of the flood damages. The economists develop information on water rights as may be involved in any proposed watershed improvement program, and investigate the financial capabilities of flood prevention or watershed enterprises as may be interested in cooperating with the Department in such watershed improvement programs. From the analytical data compiled by the economists, the sharing of costs (Federal, non-Federal, public and local) for installing and maintaining the proposed works of improvement can be established.

TRINITY RIVER FLOOD CONTROL PROGRAM

Mr. ANDERSEN. Will you discuss that map you have on the wall?

Mr. DYKES. That is a map of one of these approved flood-control projects. It is a map of the East Fork of the Trinity River. It shows the relationship between the work of our Department and the Corps of Engineers. You will notice the big blue blot in the middle. That is the Lavon Reservoir, which is being constructed at the present time by the Corps of Engineers. Around the edge you will see other little blue splotches, which indicate the type of flood-retention dams that are being constructed by the Department of Agriculture. The brown area on the map along the stream is the alluvial flood plain lands in this area. There are 65,000 acres of alluvial flood plain land in the watershed. Lavon Reservoir gives partial protection—and I say "partial" advisedly—to 18,000 acres of that alluvial flood plain land.

You will note that there are a number of minor tributaries, Mesquite Creek and others that come into the East Fork of the Trinity below Lavon Dam.

The two largest of these tributaries that come in below Lavon Reservoir could cause some flooding down on the 18,000 acres on the main stem of the East Fork of the Trinity, which we are not taking credit for.

The 47,000 acres that lie in the tributaries above Lavon Reservoir, and on the tributaries which come in below Lavon Reservoir, are totally the responsibility of the Department of Agriculture as far as flood prevention is concerned, since Lavon Reservoir is the only flood-control structure contemplated by the corps in the entire 840,000-acre watershed.

Mr. HUNTER. What will be the total capacity?

Mr. DYKES. I could not tell offhand. It is not so very large.

Mr. HUNTER. What is the average cost of the little check dams that I see here and there?

Mr. DYKES. I was down for the dedication of 8 of them on 1 branch of the creek, and they run around $30,000.

Mr. HUNTER. What is the average number of acre-feet they hold at any one time?

Mr. DYKES. The average on those would run about 350 acre-feet; those that we have constructed at the present time.

Mr. ANDERSEN. Thank you, Mr. Dykes.

I would like at this point to quote from a letter from Mr. Walt Horan, a member of this subcommittee.

I am sorry to be necessarily absent this afternoon when this all-important item on flood control is before us. However, the record of our hearings is replete with the evidence that I want to spread upon the record this afternoon.

A full picture of the flood-control problem presently before us in not only the Department of Agriculture but in the Department of Interior and the Department of Defense must necessarily figure in any overall and complete consideration of flood control or flood prevention in the work to be done to achieve it.

I trust that this information will be supplied in accordance with previous requests for this information made by me.

I have here several questions which Mr. Horan requested be included in the record of these proceedings. If there is no objection I will place them in the record at this point and will ask Mr. Coke to insert his answer for the record.

(The information referred to follows:)

Mr. HORAN. Mr. Coke, there can be no doubt but what we have a very serious flood-prevention problem in the Middle West, on the Ohio, Mississippi, and Missouri Rivers, and their tributaries. Through the years we have built a program involving almost 1,100 watersheds in this area and in other areas. We have done very little work in a constructive way because of these studies. We were on the verge of such a program when your budget cut revision appeared before this subcommittee, of which I am a member. This cut was in excess of 50 percent and was presented to this subcommittee, in the absence of any knowledge of what the Army engineers or the Department of Interior planned to do on any of these watersheds, particularly in the Middle West. What is the justification for this cut?

Mr. COKE. The budget revision under the flood-prevention item was part of our response to the administration's determination to bring overall obligations and income more nearly into balance. It does not in any manner reflect an unfavorable attitude on the part of the Department toward watershed improvement work. We consider the protection of the alluvial flood plains along watercourses and tributary streams throughout the country from floodwater and sediment damage as an important responsibility of the Department of Agriculture.

As the Secretary pointed out in his opening statement to the subcommittee, until we have had opportunity to carefully study pending legislation which, if enacted, would modify the method by which the Department's responsibility for flood prevention would be authorized and implemented, and also to complete a review of the Department's flood-prevention activities, it does not appear desirable to expand the work as rapidly as planned in the original budget. Accordingly, the revised estimate recommends eliminating $6.5 million for initiating work in seven watersheds in which operations have not yet been specifically approved by the Congress. It also provides for reducing somewhat the survey activities and the acceleration of works of improvement originally proposed in the 11 authorized watersheds.

As was pointed out, this adjustment is reflected both in the flood-prevention appropriation and in appropriations for the Soil Conservation Service, the Forest Service, and the agricultural conservation programs where increases were proposed for accelerating measures contributing to flood prevention.

Mr. HORAN. Can you supply me in detail both the program and the responsibility for flood prevention that the Department of Agriculture entertains at this time?

Mr. COKE. Under the Flood Control Act of June 22, 1936, as amended and supplemented, the Department of Agriculture has responsibility for Federal investigations of watersheds and measures for runoff and waterflow retardation and soil-erosion prevention on watersheds. This responsibility has been extended to the investigation of watersheds covering about 99 percent of the area of the country by specific congressional authorization.

Under this authority the Department has made substantial progress in the examination and survey of watersheds. Reports have been completed or investigations are in progress on some 71 percent of the 1,100 authorizations and covering about 72 percent of the total area of the country. A detailed presentation of this accomplishment is to be supplied at the time of the hearing on the flood-prevention item.

As the Department understands the total responsibility assigned it by Congress, it has the job of installing watershed works of improvement that will provide practical protection to approximately 50,000,000 acres of our good bottom land in headwater valleys above the locations of any major flood-control structures proposed to date. Such upstream works of improvement will, at the same time, protect roads, towns, and agricultural values in these headwater areas; reduce silting of downstream channels and reservoirs; and reduce, to a limited extent, major flood flows.

Installation of watershed works of improvement has, as you know, been under way since 1946 on the 11 watersheds for which improvement programs were authorized by the Flood Control Act of 1944. As of the end of the current fiscal year, the Department will have expended about 20 percent of the funds authorized for carrying out work in these 11 watersheds. Revisions are being recommended in some of these programs, in the light of field experience to date, that will result in somewhat increased costs and attendant increased benefits.

The committee will stand adjourned until 9:30 tomorrow morning.

TUESDAY, MARCH 24, 1953.

LIBRARY

WITNESSES

RALPH R. SHAW, THE LIBRARIAN, LIBRARY
LOUISE O. BERCAW, ASSISTANT LIBRARIAN, LIBRARY
WILFORD W. FINNEY, ADMINISTRATIVE OFFICER, LIBRARY
JOSEPH C. WHEELER, DEPUTY DIRECTOR, OFFICE OF BUDGET AND FINANCE, DEPARTMENT OF AGRICULTURE

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$687,237	$681,169	$700,000
Reimbursements from non-Federal sources	39,300	39,000	31,550
Reimbursements from other accounts	64,100	61,000	11,450
Total available for obligation	790,637	781,169	743,000
Unobligated balance, estimated savings	−28		
Obligations incurred	790,609	781,169	743,000

NOTE.—Reimbursements from non-Federal sources above are receipts from sale of copies of bibliographic reproductions (5 U. S. C. 552a).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct obligations			
1. General agricultural library services	$529,888	$537,257	$556,088
2. Specialized services to research	157,321	143,912	143,912
3. Obligations under reimbursements from non-Federal sources	39,300	39,000	31,550
Total direct obligations	726,509	720,169	731,550
Obligations payable out of reimbursements from other accounts			
1. General agricultural library services	64,100	61,000	11,450
Obligations incurred	790,609	781,169	743,000

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	166	167	156
Full-time equivalent of all other positions	1	1	1
Average number of all employees	161	161	151
Average salaries and grades:			
General schedule grades:			
Average salary	$4,039	$4,005	$4,008
Average grade	GS–5.3	GS–5.2	GS–5.2
Personal service obligations:			
Permanent positions	$640,158	$634,961	$595,936
Part-time and temporary positions	2,914	2,750	2,750
Regular pay in excess of 52-week base	2,629	2,635	2,495
Payment above basic rates	247	750	750
Total personal service obligations	645,948	641,096	601,931
Direct Obligations			
01 Personal services	597,572	594,596	592,751
02 Travel	1,587	2,385	2,385
03 Transportation of things	2,691	2,726	2,726
04 Communication services	5,912	5,400	4,400
06 Printing and reproduction:			
Binding	34,066	32,500	32,500
Other	5,355	10,416	10,491
07 Other contractual services	2,872	2,025	2,025
Services performed by other agencies	8,097	3,175	2,750
08 Supplies and materials	19,750	19,525	19,654
09 Equipment	46,830	45,763	60,235
15 Taxes and assessments	1,777	1,658	1,633
Total direct obligations	726,509	720,169	731,550
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	48,376	46,500	9,180
03 Transportation of things	----------	----------	75
04 Communication services	----------	25	500
06 Printing and reproduction	----------	75	----------
07 Other contractual services	----------	----------	----------
Services performed by other agencies	324	300	250
08 Supplies and materials	2,414	4,000	1,400
09 Equipment	12,900	10,000	----------
15 Taxes and assessments	86	100	45
Total obligations payable out of reimbursements from other accounts	64,100	61,000	11,450
Obligations incurred	790,609	781,169	743,000

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$64,161	$77,108	$65,477
Obligations incurred during the year	790,609	781,169	743,000
	854,770	858,277	808,477
Deduct:			
Reimbursable obligations	103,400	100,000	43,000
Unliquidated obligations, end of year	77,108	65,477	74,977
Adjustment in obligations of prior years	1,490	----------	----------
Obligated balance carried to certified claims account	506	----------	----------
Total expenditures	672,266	692,800	690,500
Expenditures are distributed as follows:			
Out of current authorizations	618,932	628,800	627,500
Out of prior authorizations	53,334	64,000	63,000

Justification of the Estimates

Mr. Andersen. We will insert pages 463, 464, 466, through 468 and also 471 and 472 of the justification at this point, together with a comparison of your original and revised estimates.

(The pages referred to are as follows:)

Purpose Statement

FUNCTION

The library, pursuant to the Department's Organic Act of 1862, and under delegation from the Secretary, "procures and preserves all information concerning agriculture which can be obtained by means of books * * *." Under the act establishing the Department, the library also serves as the National Agricultural Library.

ACTIVITIES

The library makes available to the research workers of the Department and the State agricultural colleges, as well as to the general public, the agricultural knowledge of the world that is contained in published literature. This reduces duplication of effort and wasted time by enabling scientists and administrators to know prior to the initiation of a project what has been done previously in that field. In pursuance of the organic act, the library collects current and historical published material and organizes it for maximum service to the Department and to the public through reference services, loans of publications, bibliographical services, and photoreproductions of library material. It issues a monthly Bibliography of Agriculture in which is listed the agricultural literature of the world.

ORGANIZATION

The library serves as a staff office of the Secretary and in addition has operating responsibilities in the field of library and bibliographical services. There are 6 field branches with general collections serving the Department staff in designated geographical areas and 6 specialized field branches serving major field research installations of the Department.

On November 30, 1952, the library had 174 employees of whom 146 were in Washington and 28 in the field.

Appropriated funds:	
Appropriated, 1953	$681,169
Budget estimate, 1954	700,000
Salaries and expenses	
Appropriation Act, 1953	$682,000
Reduction pursuant to sec. 412	−831
Adjusted appropriation, 1953, and base for 1954	681,169
Budget estimate, 1954	700,000
Increase (for purchase and processing of agricultural publications)	+18,831

Project statement

Project	1952	1953 (estimated)	Increase	1954 (estimated)
1. General agricultural library services	$529,888	$537,257	+$18,831	$556,088
2. Specialized services to research	157,321	143,912		143,912
Unobligated balance	28			
Total available or estimate	687,237	681,169	+18,831	700,000
Reduction pursuant to sec. 412		+831		
Total appropriation or estimate	687,237	682,000		

STATUS OF PROGRAM

General

The library provides centralized reference and bibliographical services for agencies of the Department through the main library in Washington and 12 branch locations in the field. It serves also as the National Agriculture Library, rendering extensive services to other agencies of the Government and the public. The book collection approximates 1,050,000 volumes.

Current activities

The following are typical of the major lines of work of the library:

1. Acquisition of domestic and foreign publications in the field of agriculture through purchases from commercial sources, gifts, exchange agreements with different countries, and cooperative acquisition projects with the Library of Congress and with other research libraries.

2. Preparation of agricultural bibliographies with an increasing coverage of the world's agricultural literature.

3. Providing reference service to patrons who come into the library, and by telephone, and by mail. These patrons include department personnel, and representatives of other Government and private research agencies, colleges, universities, and farmers and other private citizens; furnishing publications on loan directly to department personnel and to others through interlibrary loans; and maintaining the collection.

4. Facilitating the Department's programs by making available published material to the man-on-the-job, wherever he may be stationed, through field branches which serve as outlets for the main library and as reservoirs of published information near the field workers. Through these library services provided the field staff, the stocking of large numbers of relatively little used books in field offices is unnecessary.

Selected examples of recent progress

1. Status of acquisition program: The Department of Agriculture Library is the one place in the Nation where all of the more important agricultural publications are available. Therefore, a continuing intensive acquisition program must be carried on to provide the major agricultural publications required by the Department's workers, collaborators, farmers, industrial users, and the public generally. The collection still lacks many agricultural publications of foreign countries, as well as many important domestic publications. The increased cost of publications has reduced the number that can be purchased. Also the gift and exchange program was necessarily reduced. Below is a tabulation of major acquisition statistics for the past 5 years.

	Obligations for publications	Number of publications received from all sources (gift, exchange, and purchase)		
		Volumes added to collection	Number of periodical issues	
			Received	Retained
1948	$44,652	33,763	744,757	283,836
1949	39,178	34,176	626,117	263,653
1950	45,742	42,215	[1] 552,137	275,215
1951	53,342	[2] 28,921	498,013	268,655
1952	44,747	[3] 28,646	[3] 542,240	[3] 272,770

[1] The reduction in 1949 from prior year resulted primarily in the change in policy of recording Department of Agriculture publications.

[2] A portion of the reductions in 1951 and 1952 is due to change in policy on counting working tools of the Department agencies.

[3] Cataloging in 1952 of volumes and publications received in 1951 makes receipts appear higher in 1952 than actually was the case.

2. The monthly Bibliography of Agriculture contained 12 percent more items than in 1951. There were 95,962 reference items included during the year, which exceeded any previous year. Identification of non-English material in the subject index has proved to be very useful to the users of the bibliography. The number of items listed in the Bibliography of Agriculture for the past 5 years is indicated below:

Year	Number of reference items	Year	Number of reference items
1948	84, 229	1951	85, 790
1949	82, 269	1952	95, 962
1950	89, 060		

3. There were 71 bibliographies, indexes, and lists prepared on specialized subjects. During 1952, 23 bibliographies were prepared in the Washington library which were 2 less than in 1951. Volume 10, 1950, Index to the Literature of American Economic Entomology was completed during the year. Among the special bibliographies prepared were Bibliographical Bulletin 18, Forests of Continental Latin America, and Bibliographical Bulletin 19, Tropical Beef Cattle Industry. Also Library List No. 1, Selected List of American Agricultural Books, was revised and published in February 1952.

4. The Photocopying Section completed 42,767 separate orders consisting of 526,134 pages of microfilm and photoprint. Of this amount, 6,284 orders totaling 87,218 pages were provided free of charge to the Department's agencies. For the remaining orders $39,747 was received in reimbursement of the cost of production.

5. The total number of publications loaned and the number of reference questions answered were below the 1951 level. The number of publications loaned decreased 4.9 percent. The reference questions answered decreased 5.3 percent. Only minimum service could be rendered on each request. The workload per staff member increased from 9,618 items in 1951 to 10,054 items in 1952.

Below is a tabulation of the volumes of publications circulated, loaned, and photocopying services rendered and reference questions answered in 1951 and 1952.

	1951	1952	Percent of increase (+) or decrease (−)
Volume of circulations, loans, photocopying:			
Washington	482, 320	456, 901	−5.3
Field	914, 843	869, 978	−4.9
Subtotal	1, 397, 163	1, 326, 879	−5.0
Reproductions	44, 359	43, 767	−1.3
Total	1, 441, 522	1, 370, 646	−4.9
Reference questions answered:			
Washington	130, 083	125, 463	−3.5
Field	50, 351	45, 379	−9.9
Total	180, 434	170, 842	−5.3

6. A waiver was again issued by the Public Printer permitting the binding work to be performed under contract to commercial binders. Under this authorization 9,508 volumes were bound, of which 1,907 volumes were from the various field libraries. There were 1,216 fewer volumes bound in 1952 than in 1951. Approximately 7,000 volumes of current publications were added to an already burdensome backlog of an estimated 160,000 volumes which should be bound,

Statement of obligations under allotments and other funds

[Includes only those amounts which, by November 30, 1952, were actually received or programed for 1953 or 1954. Since work for other agencies is performed on a service basis, at the request of those agencies and for their benefit, it is not practicable to estimate in advance the amounts be received in most cases]

Item	Obligations, 1952	Estimated obligations, 1953	Estimated obligations, 1954
Working funds, agriculture, library:			
Advanced from:			
Bureau of Entomology and Plant Quarantine Agriculture:			
For special bibliographical services on bee culture	$3,985	$4,118	
Department of State:			
For library and bibliographical services	39,081	6,250	
For screening and procurement of technical books and literature	11,991		
Atomic Energy Commission:			
For modification of rapid selector machine	11		
Total, working funds, Agriculture, library	55,068	10,368	
Working funds, agriculture, general (library):			
Advanced from:			
State Department:			
For administrative expenses in connection with point 4 training program for foreign nationals		5,000	
Mutual Security (allocation to agriculture) (library):			
For administrative expenses in connection with training program for foreign nationals	7,244	4,220	
For program expenses in connection with point 4 program, Near East and Africa	3,593		
Total, Mutual Security	10,837	4,220	
Obligations under reimbursements from governmental and other sources:			
Salaries and expenses:			
For bibliographies, photographic reproductions, and other special library services	103,400	100,000	$43,000
Total, obligations under allotments and other funds	169,305	119,588	43,000

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. General agricultural library services	$537,257	$556,088	$534,123	−$21,965
2. Specialized services to research	143,912	143,912	139,677	−4,235
Total available or estimate	681,169	700,000	673,800	−26,200
Reduction pursuant to sec 412	+831			
Total appropriation	682,000			

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $26,200 in this item below the original budget estimate consists of the following:

(1) A reduction of $21,965 by closing five general branches and entering into cooperative agreements with State universities and agricultural colleges to furnish library services to Department workers in those regions. These five general branches are located at Albuquerque, Atlanta, New Orleans, Philadelphia, and San Francisco.

(2) A reduction of $4,235 by converting the Asheville branch to a station library which will retain the book collection without staff furnished by the Department library. This library is located at a Forest Service experiment station at Asheville, N. C. Forest Service personnel will maintain and continue to make use of the collection as a working tool.

Mr. ANDERSEN. We are glad to have you with us this morning, Mr. Shaw. Do you have a general statement you would like to make? If so, the subcommittee will hear you at this time.

GENERAL STATEMENT

Mr. SHAW. Thank you, Mr. Chairman. As the committee knows, the Department library's functions are based on the organic act establishing the Department which says that it shall be the responsibility of the Secretary to collect all information about agriculture that can be obtained by means of books, correspondence, experiments, et cetera. The Secretary has delegated responsibility for collecting knowledge in books to the library. We do not, as you know, duplicate other Federal libraries and they do not duplicate us to any appreciable extent.

We have submitted to the committee before a letter from the Librarian of Congress indicating the policy agreement between the two libraries so that in effect the whole country as well as the Department of Agriculture and the Government looks to the Department of Agriculture Library for service. This has taken very concrete forms. For example, a good many of the agricultural colleges now do not bother to collect a good many foreign journals which fill up space because they can get the Bibliography of Agriculture. And since for a few dollars they can get a photostat of any article, it is much more economical for them to depend on us for little-used material.

This brings up one item in the budget in which we are requesting an increase. We have left out all the items on which there is a good deal of pressure for increased service except this one. To give you an example, however, of the type of thing on which there is demand for service, the directors of the State experiment stations have had a committee on exchange of publications. Director Macy of Minnesota is chairman, Director Dow and others are members of the committee. At the Association of Land-Grant Colleges, last year, they passed a resolution requesting that the secretary set up a group in the Department library to help the State experiment stations with their foreign exchange problem because the exchange of publications abroad is a great drain on them. They wanted to use our files and have a central source. We have not been able to do anything about that.

COST OF BOOKS INCREASES

The only request we are making is for an increase in our book funds and that is urgent because with the others in the country relying on us for these books, if we do not have enough money to buy them, they just would not have any basic resources in agriculture. What has happened is not that our book funds have been cut. They have been held at an average of $45,000 over the past 10 years but the cost of books has gone up tremendously. Book funds of other agencies, private as well as public, have increased greatly.

The net result as shown in the chart which I think you have as part of the preliminary material is that whereas we were able to buy some 13,000 books in 1945, we are only able to buy 6,500 books with the same amount of money in 1952 and this is making for great gaps in our collection.

I have here an article from Publishers' Weekly, the American book trade journal, which shows what has been happening to other book budgets. It shows that in special libraries, including technical, medical, law, and government, in 1948 they had $2 million for books. In 1950 they had $6,500,000 for books. So that in general book funds have tripled while ours has held constant. This is making for great gaps in basic resources which we need not only for our own purposes in the Department but for the Nation as a whole and for special operations of other Government agencies.

ANALYSIS OF WORKLOAD

Mr. ANDERSEN. There is no other part of your work that you can eliminate so as to make more money available for these books. Mr. Shaw?

Mr. SHAW. We have cut our other services to the bone and as I am sure the chairman knows, we worked very hard on management improvement to get such service as we could. I have here a chart. It is not a very good one. I am not a very good chart drawer but it shows what has happened in terms of our library operation.

In 1940 our circulation and reference load was 201,000 units. In 1952, the red bar, we provided 1,497,000 units of service, some 7 times as much. But in 1940 we had 243 staff members in the Department Library and in this budget we are asking for 151 staff members so that we have reduced the staff about 40 percent while we have increased service about 7 times. When we started we had some fat because we consolidated the Bureau libraries and we eliminated people doing duplicated cataloging and duplicating of manning of rooms, and the like. That is how we made the large reduction in staff at the start but we have been making continuing reductions in the staff and improvement in service and efficiency of service and while there is always room for improvement, Mr. Chairman, and we are making additional improvements, you cannot make as many of them when you are down to this level as fast as you can when you started out here.

FIELD ORGANIZATION

Mr. ANDERSEN. In that direct point, you have, I believe, six main field libraries. Now, how many people are employed in those particular field locations?

Mr. SHAW. We have what we call general branches and then we have specialized branches which serve only the research groups at those specialized stations. Our total field staff is 29. That includes Beltsville.

Mr. ANDERSEN. Where are the other five located?

Mr. SHAW. There are general branches at Philadelphia, at San Francisco, Albuquerque, New Orleans, and Atlanta. We have been working on a new program on that that should result in saving of money. It will result in a somewhat reduced quality of service but it will give us lot more service for the money we spend than what we have been doing before. About 3 years ago we made a contract with the University of Nebraska Agricultural College to provide service to the department staffs in that region and we closed our Lincoln branch. That saved almost half of what we were spending on library service to

our own people because the big cost in something like a library is the standby or ready-to-serve cost. You have to build up collections. You have to build up catalogs. You spend a lot of money getting ready to serve. You buy reference books that are already in the university library. That has worked very well and we are proceeding now to extend it to other places. And that, I think, will result in a considerable saving.

Now, I do not want to lose sight of the fact that it will result in some reduction in quality of service because on the reference service, we find that elimination of a branch where we have a concentration of department staff does result in a lowering of the amount of reference service they get. We do, however, provide substantially all of the lending service, the loan of periodicals around the field and a large portion of the reference service. As I say, it does save money so we are moving in that direction now.

Mr. ANDERSEN. That is interesting.

COORDINATION WITH LIBRARY OF CONGRESS

Mr. LAIRD. Mr. Chairman, I would like to get one thing explained to me which I do not quite understand. Are not these same books in the Library of Congress that you are having trouble securing.

Mr. SHAW. The Library of Congress does not buy in the field of agriculture. They buy a few reference tools for quick reference but on congressional requests and others, they use our collections so that we do not duplicate in the basic research collection.

Mr. LAIRD. There is no duplication?

FACILITIES AT FIELD BRANCHES

Mr. SHAW. I can't say that there is none at all, but there is negligible duplication of books as far as research collection is concerned.

Mr. LAIRD. At your branches do you have copies of the basic reference tools you speak of? At Albuquerque or San Francisco, do you have copies of many of the same books for basic research?

Mr. SHAW. Substantially all copies in general branches.

Mr. LAIRD. I have been in our agricultural library at the University of Wisconsin. I imagine it contains more or less the same sort of reference material?

Mr. SHAW. That is right. Substantially all this material would be available. That is the field branches are just live collections of most of the commonly used materials in that region. So that they are practically all duplicates of things that are available in the agricultural colleges.

Mr. LAIRD. Does not the University of New Mexico have their own library.

Mr. SHAW. They have on their own library responsibility for service in New Mexico but Albuquerque serves the whole region around New Mexico, not just in 1 State or 1 location.

FUTURE FIELD DISTRIBUTION ARRANGEMENTS

Mr. ANDERSEN. Mr. Shaw, you mentioned the working agreement with the University of Nebraska. Do you look forward to the day

when you can eliminate all of your field libraries through such working agreements?

Mr. SHAW. That cannot be done with research collections at the four chemical labs or at Madison because there you have large research staff using the material intensively. The general branches, yes.

Mr. ANDERSEN. Aside from those specialized fields, you think that eventually you will do away with the general field distribution centers.

Mr. SHAW. I have just completed an agreement with Oklahoma A. and M. under which they will serve the Southwest instead of Albuquerque branch and part of our New Orleans branch and I hope we will be able to complete agreements under which we will have State colleges serving all of our general branch functions.

Mr. ANDERSEN. I believe you mentioned that it would reduce your operational efficiency. On the other hand, would it not make available to your organization a far greater amount of books for distribution?

AGREEMENT WITH UNIVERSITY OF NEBRASKA

Mr. SHAW. If we retained the money that we saved, it would.

Mr. ANDERSEN. Just what kind of agreement have you, Mr. Shaw, with the University of Nebraska?

Mr. SHAW. Under that agreement we turned over our branch collections to the university because there would be an added load for copies of these same books for circulation if several States would use them, they would need several copies. So that we turned over the collection of books to the university. We pay them for the additional cost for routing books to our people and for answering reference questions to our people. The salaries or salary cost in most of these cases will range between $3,000 and $4,000 for that. We provide about $500 for purchase of additional copies of books in the future. Now, this means that they run between $3,000 and $4,000 in contractual costs as compared with anywhere from $7,000 to $9,000 for maintaining our own libraries. There is one other thing that we do for the university in return and that is that we make available our collections to them on the same basis as for our own staff. This adds to the research potential of the university and greatly strengthens the university's own work.

I think that the universities and agricultural colleges who are cooperating with us in this are cooperating more for that aspect of it than they are for the money they get.

WORK UNDER REIMBURSABLE FUNDS

Mr. ANDERSEN. What work do you do under various working funds and reimbursements, Mr. Shaw?

Mr. SHAW. We have limited the work that we do on reimbursable funds strictly to things that we can perform as byproducts of our basic work for others, other agencies, or for the public, at less cost than the other agencies could do it themselves. For example, we have one reimbursable project for Atomic Energy Commission under which in the process of going through the literature to list it for the bibliography of agriculture, we select all literature in the 20,000 journals we cover that is of interest to the Atomic Energy Commission and their

contractors. The importance of that so far as Government economy is concerned is clear because if we did not do it as a byproduct, they would have to, and in the past they did have to, go through these journals again to find their items. Dr. Thompson who is head of information in the Atomic Energy Commission said at a meeting the other day in a speech he made that before we took over they were spending $19 per reference for each one of the references they found. Contracting with us and getting it as a byproduct of our Bibliography of Agriculture, they get it for $1 per reference. This is just about 6 percent as much as doing it over. That is the kind of a reimbursable project that we think is really worthwhile.

On the other hand, we have had projects like the operation of the library for the Mutual Security Administration. We operated that for them as long as their needs were very great and they could not take time out to build up a library of their own. After operating it for them for 2 or 3 years, we had developed a small, working collection for them which satisfied about 60 percent of their needs and we saw no point in our continuing the contractual service, so we discontinued it and let them take care of it themselves at lower cost than having a contractual arrangement.

Now, what disposition they made of it, I do not know, but we are no longer doing that because there was no point in it any more, so that by and large we do hold to that kind of an operation.

Now, the only other category is a copying service for the public under the organic act of 1944 which is paid for by the public so that our resources in our library can be made available to anybody at a very modest fee for the photographic copies, a service charge for making the photostats for them.

CATALOGING

Mr. ANDERSEN. You mentioned several years ago your difficulty in keeping up to date in cataloging these items coming into your library. What is the current situation there?

Mr. SHAW. So far as cataloging the purchased material, that is done within 48 hours.

Mr. ANDERSEN. What about these things coming from other sources?

Mr. SHAW. Gifts and exchanges, we have a considerable backlog. The major items get cataloged immediately, such as the books and large runs of periodicals, but there are a good many thousands of pamphlets that we have not been able to analyze as yet.

Mr. ANDERSEN. From all indications, your answer would show that the situation is easing up. I believe several years ago you brought that particular point before this subcommittee as your main justification for additional funds, especially in reference to foreign publications.

Mr. SHAW. One of the things that has happened and helped us very greatly on that, Mr. Chairman, is the fact that we have developed a camera I told you about which in effect gave us 10 man-years of typing. This meant that we could free our clerical people and throw more load formerly done by professional people on the clerical people. The result of that is that we have gotten rid of a good deal of our backlog.

ADMINISTRATIVE SERVICE STAFF

Mr. ANDERSEN. Now with reference to the 14 people in the administrative services staff, will you insert in the record a specific description of their duties and grades?

(The information requested is as follows:)

Grades and duties of 14 library employees shown under Administrative Services in the 1954 budget estimates are as follows:

A. GS–11, administrative officer, is responsible under general supervision of the librarian for budget, fiscal and general services. The administrative officer is responsible to the librarian for budget formulation and execution. The following are under the supervision of the administrative officer.

1. Fiscal:

(*a*) GS–9, administrative assistant, is responsible for the fiscal functions and reporting as prescribed by various regulations and assists the administrative officer in budget formulation and execution.

(*b*) GS–5, auditor, audits all claims payable from library funds in compliance with all regulations pertaining thereto.

(*c*) GS–5, clerk, responsible for accounting classifications for obligations, payrolling, leave, retirement records, correspondence pertaining to fiscal functions, and collections.

(*d*) GS–4, clerk, responsible for maintaining accounting ledgers, preparation of accounting reports, and operates posting machine.

(*e*) GS–4, clerk-typist, 0.9 of this position is applicable to accounting functions such as typing, filing, and other duties as assigned (see personnel below).

(*f*) GS–2, clerk-typist, receives, reviews, and records requests for photoduplication services; prepares correspondence pertaining thereto.

2. General Services:

(*a*) GS–7, administrative assistant, is responsible for procurement of supplies, materials, and equipment; records and files; property management; and mails.

(*b*) GS–5, clerk, maintains records and files and assists the administrative assistant in procurement operations.

(*c*) GS–4, clerk, responsible for procuring equipment, supplies, and materials and the distribution thereof; for the maintenance of records as required.

(*d*) GS–3, clerk, responsible for the receipting and proper distribution of all first-class incoming mail and assists in procurement operations.

(*e*) GS–2, clerk, responsible for the wrapping, labeling, and distribution of all outgoing mail and packages; maintains records concerning outgoing mail and packages.

(*f*) CPC–3, messenger, makes scheduled trips within the offices of the library, delivering incoming and picking up outgoing mail; makes scheduled trips between the library and the Department post office.

B. GS–11 personnel officer, is responsible under general supervision of the librarian for all personnel functions of the library, both in Washington and in the field, including employment, classification, welfare, safety, training, etc. The following employee is under the supervision of the personnel officer.

(*a*) GS–4, clerk-typist, only 0.1 of this position is applicable to personnel functions (see 1e above). Prepares personnel actions, distributes salary checks and bonds, assists in preparation of other personnel reports as required.

STATUTORY AUTHORITY

Mr. ANDERSEN. Now, Mr. Shaw, what is your basic legal authority? I want you to place that in the record, citing the specific statute under which you operate. Also indicate whether the authority is mandatory or permissive.

(The information requested is as follows:)

SPECIFIC AUTHORIZATIONS FOR LIBRARY OPERATIONS

(5 U. S. C. 514) *General duties of the Secretary.*—"The Secretary of Agriculture shall procure and preserve all information concerning agriculture which he can obtain by means of books * * *"

(5 U. S. C. 522a) *Manufacture and sale of copies of bibliographies, photographic reproductions of books, and library supplies.*—"The Secretary of Agriculture is authorized to make copies of bibliographies prepared by the Department library, microfilm and other photographic reproductions of books and other library materials in the Department and sell such bibliographies and reproductions at such prices (not less than estimated total cost of furnishing same) as he may determine, the money received from such sales to be deposited in the Treasury to the credit of the applicable appropriation current at the time the materials are furnished or payment therefor is received."

EXCHANGE PROGRAM

Mr. HORAN. In the acquisition of new books, what is the extent of your ability to exchange volumes?

Mr. SHAW. If it were not for our exchange program, we would be in a very bad way. The Department of Agriculture publications are highly prized all over the world and about 90 percent of the periodicals that we receive are received on exchange rather than by purchase. So that is a very large part of our work.

Mr. HORAN. What charge is made to you for the value of the properties that you are able to exchange?

Mr. SHAW. There is not any. We control all the mailing lists of the Department and no publications go abroad except when we get publications in return.

Mr. HORAN. They are not free?

Mr. SHAW. They are not free but by this method, Congressman Horan, we have succeeded in cutting the number of names on foreign mailing lists about two-thirds. It used to be that somebody would request his name be added and he would get material forever. As I recall it, we had about 18,000 names on the foreign mailing list. We have got that down to about 7,000 names, each one of them a productive exchange. So that we are sending less abroad than we did before and we are getting more in return for it.

Mr. HUNTER. Mr. Shaw, according to the chart here, your cost of books has doubled; the funds available have remained more or less constant, which means, I assume, you can only purchase now about half as many books as you purchased, for example, in 1945; is that true?

Mr. SHAW. That is right.

METHOD OF SELECTING PUBLICATIONS

Mr. HUNTER. Who decides what publications are to be purchased? Is that your decision? Do you have a board or committee within the Department for such purpose?

Mr. SHAW. In the final analysis, it is my decision and what we have done is we have limited it strictly to the basic legal responsibility of collecting agricultural information, and we have narrowed the sense in which we select it. We have received, we do receive, suggestions from the staff of the Department as to things they would like but in the final analysis, the librarian is responsible for the

selection. We have a list of the subjects which we consider our primary research fields so that there will not be duplication between the Library of Congress and us and we stick pretty closely to that.

SAN FRANCISCO BRANCH LIBRARY

Mr. HUNTER. Where is the branch library in San Francisco located?

Mr. SHAW. In the Appraiser's Building.

Mr. HUNTER. Are there other Department of Agriculture offices there?

Mr. SHAW. Yes. We are talking with the University of California Agricultural College at Davis about taking over the branch library in California.

Mr. HUNTER. The same as you did in Oklahoma?

Mr. SHAW. We have completed negotiations with Oklahoma; we cannot for California until the regents meet and they do not meet until April 24 but Dr. Freeborn and the librarian at Davis are in agreement it is a sound way to do the job, and fortunately the librarian there was on our staff at one time and he understands what is required in the way of service and in that area there will be good service if the regents approve it.

FEES

Mr. MARSHALL. Mr. Shaw, do you collect fees for any of your services?

Mr. SHAW. Our copying service is all done at a charge to the public. The Organic Act of 1944 authorized us to make copies of material in the library for the public, charging them not less than cost. We recover the equipment and cost of materials and labor and all.

Mr. MARSHALL. What is the total amount of fees that you collected last year?

Mr. SHAW. The fees for copying service are shown under photoduplication service. We collected $55,400 from non-Federal services for copying service, and approximately $1,000 from Federal sources for copying service, making a total of $56,400.

Mr. MARSHALL. What happens to those funds? Are they returned to the Treasury?

Mr. SHAW. They go into the Treasury, in accordance with the act, to the credit of the appropriation charged with making them so that we can provide the service from these funds.

Mr. MARSHALL. You are rendering an excellent service. Couldn't you charge fees and make your Department self-supporting?

Mr. SHAW. That, of course, is a question on any public service whether it be Library of Congress or a public library or any other. Nobody has figured out a sound basis for charging fees for reference service. When somebody writes in and asks whether lespedeza will grow in a certain area, we must turn it over to one of our subject people to reply and we could not very well charge for that. If we look it up in a book, I do not think it would be any fairer to charge for that. We have in the case of the copying service which has not been a normal, common, free library service. We have set that up on a fee basis.

BIBLIOGRAPHY OF AGRICULTURE

Mr. MARSHALL. Do you send out a list of your materials to various people, regularly, on the order of publication?

Mr. SHAW. We have the Bibliography of Agriculture.

Mr. MARSHALL. That is what I had in mind. Do you make any charge for that service?

Mr. SHAW. We send that free only to agricultural colleges and Federal agencies, and others can buy it from the Superintendent of Documents. We get nothing out of that and the Superintendent of Documents just charges for the paper and presswork and about 50 percent more to cover his handling costs, so that you do not recover the cost of compiling it from that.

On the other hand, that is a byproduct of our own needs for our own research programs and our administrative program.

PERSONNEL ADMINISTRATION

Mr. MARSHALL. The chairman was talking a moment ago about some of the work being done in your administrative unit. How many personnel people do you have?

Mr. SHAW. We have 1.1 man-years going into personnel work. There are two people, one spending part time on it. That is a ratio of just under 1 to 150 employees which is good.

Mr. ANDERSEN. Anything further, gentlemen? If not we will conclude this hearing. Thank you, Mr. Shaw.

MONDAY, APRIL 13, 1953.

OFFICE OF INFORMATION

WITNESSES

RICHARD D. APLIN, DIRECTOR, DEPARTMENTAL ADMINISTRATION
R. L. WEBSTER, DIRECTOR OF INFORMATION, OFFICE OF INFORMATION
J. H. MC CORMICK, DEPUTY DIRECTOR OF INFORMATION, OFFICE OF INFORMATION
GALEN YATES, ASSISTANT TO THE DIRECTOR, OFFICE OF INFORMATION
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

SALARIES AND EXPENSES

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$1,263,268	$1,251,201	$1,300,000
Reimbursements from non-Federal sources	3,692		
Reimbursements from other accounts	469,794	16,014	16,014
Total available for obligation	1,736,754	1,267,215	1,316,014
Unobligated balance, estimated savings	−5,484		
Obligations incurred	1,731,270	1,267,215	1,316,014

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)) and the furnishings of reproductions of photographs and of motion-picture footage (7 U. S. C. 1387).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. General administration of Office of Information and informational work	$26,976	$29,849	829,849
2. Business service, including communications and records	59,557	57,139	57,139
3. Publications preparation, distribution, and control	565,270	553,334	602,133
4. Preparation and distribution of special reports and current information	356,003	361,156	361,156
5. Preparation and distribution of agricultural information by exhibits	103,583	102,135	102,135
6. Preparation and distribution of agricultural information by radio and television	31,093	31,114	31,114
7. Preparation and distribution of agricultural information to the press	49,149	42,963	42,963
8. Preparation and distribution of agricultural information by motion pictures	66,153	73,511	73,511
9. Obligations under reimbursements from non-Federal sources	3,692		
Total direct obligations	1,261,476	1,251,201	1,300,000
Obligations Payable Out of Reimbursements From Other Accounts			
1. General administration of Office of Information and informational work	1,526		
2. Business service, including communications and records	5		
3. Publications preparation, distribution, and control	17,234	5,595	5,595
4. Preparation and distribution of special reports and current information	9,635	3,525	3,525
5. Preparation and distribution of agricultural information by exhibits	23,841		
6. Preparation and distribution of agricultural information by radio and television	3,188	2,974	2,974
7. Preparation and distribution of agricultural information to the press	6,064	3,920	3,920
8. Preparation and distribution of agricultural information by motion pictures	408,301		
Total obligations payable out of reimbursements from other accounts	469,794	16,014	16,014
Obligations incurred	1,731,270	1,267,215	1,316,014

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	212	127	131
Full-time equivalent of all other positions	1		
Average number of employees	169	116	120
Average salaries and grades:			
General schedule grades:			
Average salary	$4,928	$4,936	$4,947
Average grade	GS–7.1	GS–6.8	GS–6.9
Crafts, protective, and custodial grades:			
Average salary	$3,166	$3,251	$3,251
Average grade	CPC–4.3	CPC–4.4	CPC–4.4
Personal service obligations:			
Permanent positions	$810,471	$560,086	$578,557
Part-time and temporary positions	2,486		
Regular pay in excess of 52-week base	3,585	2,039	2,367
Payment above basic rates	2,904		
Total personal service obligations	819,446	562,125	580,924
Direct Obligations			
01 Personal services	520,048	547,501	566,300
02 Travel	6,725	7,100	7,100
03 Transportation of things	6,910	7,500	7,500
04 Communication services	8,503	8,000	8,000
06 Printing and reproduction	659,079	659,000	689,000
07 Other contractual services	4,308	3,700	3,700
Services performed by other agencies	15,351	4,400	4,400
08 Supplies and materials	20,558	12,000	12,000
09 Equipment	17,559	1,000	1,000
13 Refunds, awards, and indemnities	1,000		
15 Taxes and assessments	1,435	1,000	1,000
Total direct obligations	1,261,476	1,251,201	1,300,000
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	299,398	14,624	14,624
02 Travel	19,028		
03 Transportation of things	796		
04 Communication services	377		
06 Printing and reproduction	1,130		
07 Other contractual services	40,697	640	640
Services performed by other agencies	7,397		
08 Supplies and materials	100,971	750	750
Total obligations payable out of reimbursements from other accounts	469,794	16,014	16,014
Obligations incurred	1,731,270	1,267,215	1,316,014

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$200,055	$569,819	$190,020
Obligations incurred during the year	1,731,270	1,267,215	1,316,014
	1,931,325	1,837,034	1,506,034
Deduct:			
Reimbursable obligations	473,486	16,014	16,014
Adjustment in obligations of prior years	20,750		
Unliquidated obligations, end of the year	569,819	190,020	200,020
Obligated balance carried to certified claims account	4		
Total expenditures	867,266	1,631,000	1,200,000
Expenditures are distributed as follows:			
Out of current authorizations	706,974	1,093,000	1,120,000
Out of prior authorizations	160,292	538,000	170,000

Mr. ANDERSEN. The committee will come to order.

Justification of the Estimates

We have before us this afternoon the Office of Information, and we will insert in the record at this time pages 451, 452, and 456 through 462 of the justifications, and a statement showing a comparison with the original budget estimate.

(The pages referred to are as follows:)

Purpose Statement

The Office of Information was established under its present name in 1925 as a consolidation of functions formally organized as early as 1889, to coordinate in the Department the dissemination of information useful to agriculture as directed by the act establishing the Department of Agriculture in 1862.

The Office has general direction and supervision of all publications and other information policies and activities of the Department, including the editorial work, illustrating, printing and distribution of publications, clearance and release of press, radio and magazine materials, and the preparation and distribution of exhibits and motion pictures. The Office publishes the Yearbook of Agriculture, the annual report of the Secretary of Agriculture, the Department Directory, the Department List of Publications; handles all the details of distributing farmers bulletins allotted to Members of Congress; and services letter and telephone requests for general information received in the Department. It also produces motion pictures for Department agencies and for other Government agencies through reimbursements.

Regular employment as of November 30, 1952, totaled 187. The Office has no field employees, except part-time or intermittent workers for seasonal use in displaying exhibits at State fairs and similar agricultural activities.

Appropriated funds:

Appropriated, 1953	$1,251,201
Revised budget estimate, 1954	1,080,000

Salaries and expenses

Appropriation Act, 1953		$1,259,000
Reductions pursuant to:		
Section 411	−$6,424	
Section 412	−1,375	
		−7,799
Transfer in 1953 from "Administrative expenses, Commodity Credit Corporation"		+16,014
Base for 1954		1,267,215
Revised Budget Estimate, 1954:		
Direct appropriation	$1,080,000	
Transfer from "Administrative expenses, Commodity Credit Corporation"	16,014	
		1,096,014
Decrease		−171,201

Summary of increases and decreases, 1954

Reduction in Farmers' Bulletin reprints	−$118,000
Reduction in size and content of Agriculture Yearbook	−65,000
Reduction in cookbook (Family Fare) reprints	−16,000
Elimination of large State fair exhibits	−40,000
Savings through improved management practices	−21,000
Revision of Farmers Bulletins and other Department publications	+48,799
Preparation and distribution of agricultural information by television	+40,000

Project statement

Project	1952	1953 (estimated)	Increase (+) or decrease (−)	1954 revised (estimated)
1. General administration of Office of Information and informational work	$26,976	$29,849	−$849	$29,000
2. Business service, including communications and records	59,557	57,139	−4,139	53,000
3. Publications preparation, distribution, and control	570,856	558,929	−76,915	482,014
4. Preparation and distribution of special reports and current information	359,523	364,681	−82,681	282,000
5. Preparation and distribution of agricultural information by exhibits	103,583	102,135	−40,135	62,000
6. Preparation and distribution of agricultural information by radio	34,062	34,088	−1,088	33,000
7. Preparation and distribution of agricultural information by television			+40,000	40,000
8. Preparation and distribution of agricultural information to the press	53,063	46,883	−883	46,000
9. Preparation and distribution of agricultural information by motion pictures	66,153	73,511	−4,511	69,000
Unobligated balance	5,484			
Total available	1,279,257	1,267,215	−171,201	1,096,014
Transfer from "Administrative expenses, Commodity Credit Corporation"	−15,989	−16,014		−16,014
Subtotal	1,263,268	1,251,201	−171,201	1,080,000
Reductions pursuant to secs. 411 and 412		+7,799		
Total appropriation or estimate	1,263,268	1,259,000		

STATUS OF PROGRAM

Current activities

The primary functions of the Office of Information are (1) overall coordination of all information work in the Department and (2) final editing and clearance of all publications and releases of information to the public. The Office provides a service to the Department and its constituent agencies designed to assist farmers, organizations, and institutions interested in agriculture, and the public at large to obtain useful knowledge pertaining to the Nation's agriculture, by providing factual information on results of agricultural research work, trends in agricultural production, prices, and consumption, the scope of agricultural programs and policies, and similar information. This work involves:

1. Editing and final preparation of manuscripts for publication, and procurement of necessary printing;

2. Distribution of publications through established channels and the filling of requests for publications and general information;

3. Preparation and shipping of exhibits for showing at State fairs and other expositions;

4. Production of agricultural films and their distribution to State depositories for use by Department of Agriculture field workers and extension agents;

5. Final clearance and distribution of reports and releases to the general press, and to the agricultural, scientific, and trade press;

6. Preparation of radio information for broadcast and service to radio farm program directors and extension agents;

7. Compilation and editing of the Agriculture Yearbook and the Annual Report of the Secretary of Agriculture; and

8. Preparing and assisting in the preparation of information requested by publishers of national magazines, encyclopedias, annuals, etc., on departmental programs, organization, or operation.

The volume of work of the Office normally depends on the aggregate of informational services of the whole Department, arising from direct requests for services, or in legislative requirements to carry out the Department's responsibilities. Currently, increased interest in the programs of the Department, particularly in the fields of food production goals, and marketing information has tended to increase the volume of work over preceding years.

Giving leadership to accelerated bulletin revisions is an important project of the Office. Conferences have been held with all Department agencies to plan revision of out-of-date bulletins. Time schedules for revisions have been developed

with the several bureaus and agencies, and are being analyzed to determine a workable plan for necessary revisions at a reasonably early date within available resources, and in conjunction with current publication of new research developments.

Examples of services rendered

Requests for publications, general information and mailing list service at over a million in 1952 was about approximately the same as the average for the previous 5 years 1947–51.

Fiscal year	Congressional requests	Total requests
1947	257,718	995,012
1948	360,959	1,050,226
1949	328,101	1,047,513
1950	485,380	1,196,771
1951	241,191	853,933
1952	376,957	1,021,214

NOTE.—These figures do not include the large number of inquiries for press, radio, exhibits, and motion pictures.

Publications handled by the Office during the 1952 fiscal year were as follows:

	Copies of all publications	Copies of Farmers' Bulletins
Total stocks July 1, 1951	12,577,350	6,859,124
New publications in 1952	29,518,765	1,582,500
Reprints in 1952	9,767,267	8,065,534
Total available for distribution	51,863,382	16,507,158
Total distribution	38,704,489	9,048,460
Stocks July 1, 1952	13,158,893	7,458,698

Mailing list items handled through the central mailing list index in 1952 compared with 1951, are shown below:

	Fiscal year 1952	Fiscal year 1951
	Number	*Number*
Names included in index	384,550	394,998
Mailing lists in index	1,185	1,157
Mailing lists revised	222	111
Workload items:		
Additions to lists	54,068	74,100
Names or addresses changed	27,901	21,178
Names or addresses dropped	64,516	49,535
Total workload items	146,485	144,813

Printing management: Recorded savings totaled $24,500 in the fiscal year 1952 as result of technical adjustments in specifications for printing jobs but many savings were not recorded. All printing orders in 1952 totaled 3,889, compared with 4,043 in 1951.

Agriculture Yearbook, 1953: All text and illustrations for this book, on the subject of plant diseases, have been given primary editing, and will be in process of printing by June 1953. Publication is estimated for the last quarter of the calendar year 1953.

Publications edited totaled 796 of which 263 were new publications and 533 were reprints. This includes the editorial work on the 1952 Yearbook. An approximate equal proportion of the total publications were handled in the last quarter of the fiscal year indicating some progress in distributing the editing and printing workload out over the four quarters of the fiscal year.

Exhibits service: During the fiscal year 1952, nine new large exhibits were constructed and incorporated in existing exhibition groups for use at State fairs. Also six medium-sized exhibits were produced, largely in cooperation with Department agencies and partly financed by such agencies. This latter has added to the number of Department exhibits available to small fairs, and cooperating agency meetings.

Carload exhibitions were arranged and completed in 1952 at 21 State and interstate fairs. Attendance at the 21 larger fairs was 8,717,471. Less-than-carload exhibitions totaled 69 during the season for showing at the smaller fairs. Showings are expected to be approximately the same in 1953.

Motion Picture Service: Two of the more important recent activities in the Motion Picture Service were (1) planning and scheduling a Departmentwide motion picture to explain the grasslands program, and (2) distribution of a film for the 1952 goals program showing ways to apply agriculture science in farming for greater production.

The grasslands film is planned by the Department Grasslands Committee to be an important tool in the grasslands program, which involves the work of almost all Department and cooperating State agencies. When finished, the film will be a demonstration of grasslands farming, both to farm groups and to urban residents who have an indirect but vital interest in a national program to improve grassland agriculture.

The goals film, of two reels, was produced for use in explaining the Department's goals program to farmers, mostly from cutouts retained from previous film productions. Field workers and State mobilization committees found this film most useful in the campaign to encourage greater production of farm crops. The film was first released to television use, and during the first 3 weeks of this use, was televised by 70 of the 108 television stations in the Nation. These stations have an estimated total audience of over 14 million.

A film on brucellosis is another example of agricultural film use in support of a required Department program. In Minnesota, 19 prints of Triple Threat of Brucellosis, were circulated during a 6-month period to more than 60 county agents and shown more than 1,000 times in this State alone. Because the film so well explains the brucellosis problem and recommends eradication measures, it served as the basic working tool for this campaign in Minnesota. Print supplies were sufficient in this case to allow conducting an effective utilization campaign on the film, and the experience in Minnesota shows how such films can serve educational aims.

Radio services to networks were maintained, while services for individual radio farm program directors and State extension services were reduced by about one-fourth in 1952. Many special requests for cooperation in the use of agricultural information have had to go unfilled. Such requests have come from land-grant colleges, radio farm directors, television networks, and single stations.

Network activities included the preparation and presentation of 1,127 minutes of agricultural subject material for the National Farm and Home Hour, the American Farmer, the Farm News, and Your Country Visitor network programs. A total of 117 individual network programs were prepared and broadcast.

Single stations with farm service programs were served by the weekly RFD Newsletter, distributed upon request to station radio farm directors, extension editors, and broadcasting county agents. These letters provide program tips and background information for use on broadcasts as well as material for better programing for rural radio listeners. For the fiscal year 1952 this letter was changed from a weekly to a biweekly issue.

Radio Farm Flashes were distributed through State extension editors for local adaptation and use by over 800 single radio stations. A total of 243 flashes were distributed, compared with 220 in 1951. Other services to State extension facilities by providing USDA materials and training assistance—one of the oldest and most effective Departmental information activities—were decreased in 1952. A new radio handbook for county extension workers was prepared in cooperation with the Federal and State extension services.

Representatives of the Office assisted in workshop discussions at the fifth annual summer meeting of the National Association of Radio Farm Directors in Washington. Of special interest was a discussion of adapting the information services for better use by the single stations farm programs.

Agricultural radio and television work conferences of the Institute for Education by Radio-Television, arranged and directed by this Office, were held in Columbus, Ohio. These sessions were attended by 85 county agents, home

demonstration agents, radio farm directors, State extension editors, and other educators from all over the Nation.

Press service: Interest in agricultural defense and other matters continued to result in a heavy volume of requests for information and releases. The number of releases and reports issued totaled 2,865. These require reviewing, editing, scheduling for release and distribution, preparation, of stencils for processing copies for the press, agency and mail distribution, and stimulated many daily office calls for copies of releases and reports as well as for additional information. Adequate servicing of many such calls was handicapped by reduced personnel. Combined distribution of the Daily and Weekly Press Summary was about 4,200 at the end of the year, compared with 3,800 at the end of the fiscal year 1951. The letter to farm paper editors continued on a biweekly basis, and the letter to women's page editors was reduced by one-third. Requests for USDA subject-matter photographs increased. Agricultural information services were continued to service requests from 135 Negro newspapers and magazines, 2 Negro press associations, and 15 State leaders of Negro extension work. Magazine services are currently maintained to fill requests for farm and food information from about 175 national and regional magazines, including the home departments of 40 farm magazines.

Statement of obligations under allotments and other funds

Includes only those amounts which, by Nov. 30, 1952, were actually received or programmed for 1953 or 1954. Since work for other agencies is performed on a service basis, at the request of those agencies and for their benefit, it is not practicable to estimate in advance the amounts to be received in most cases]

Item	Obligations, 1952	Estimated obligations, 1953	Estimated obligations, 1954
Agricultural Marketing Act, Agriculture (Office of Information): For coordination of informational activities in connection with this item	$25,347	$25,800	$28,000
Working funds, Agriculture, Office of Information, advanced from—			
Department of the Air Force, for preparation and distribution of motion pictures	99,741	50,000	
Department of Labor, for preparation and distribution of motion pictures	11,995		
Veterans' Administration, for preparation and distribution of motion pictures	90,869	90,000	
Total	202,605	140,000	
Working funds, Agriculture, general (Office of Information) advanced from Department of State for services in connection with the point 4 training program		1,000	
Miscellaneous contributed funds, Department of Agriculture (Office of Information) (trust fund), trust funds deposited by cooperators for—			
Preparation and distribution of exhibits	694	5,935	3,000
Preparation and distribution of motion pictures	1,893	9,952	7,000
Total	2,587	15,887	10,000
Salaries and expenses, defense production activities, agriculture (Office of Information): For planning effective use of information materials in a program of defense preparation	57,582	47,500	
Mutual Security (allocation to agriculture) (Office of Information): For motion-picture production	47,865	16,135	
Obligations under reimbursement from governmental and other sources:			
Salaries and expenses: For photographic reproductions and motion-picture services	457,497		
Miscellaneous contributed funds	5,328		
Total	462,825		
Total, obligations under allotments and other funds	798,811	246,322	38,000

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. General administration of Office of Information and informational work	$29,849	$29,849	$29,000	−$849
2. Business service, including communications and records	57,139	57,139	53,000	−4,139
3. Publications preparation distribution and control	558,929	607,728	482,014	−125,714
4. Preparation and distribution of special reports and current information	364,681	364,681	282,000	−82,681
5. Preparation and distribution of agricultural information by exhibits	102,135	102,135	62,000	−40,135
6. Preparation and distribution of agricultural information by radio	34,088	34,088	33,000	−1,088
7. Preparation and distribution of agricultural information by television			40,000	+40,000
8. Preparation and distribution of agricultural information to the press	46,883	46,883	46,000	−883
9. Preparation and distribution of agricultural information by motion pictures	73,511	73,511	69,000	−4,511
Total available or estimate	1,267,215	1,316,014	1,096,014	−220,000
Transfer from "Administrative expenses, Commodity Credit Corporation"	−16,014	−16,014	−16,014	
Subtotal	1,251,201	1,300,000	1,080,000	−220,000
Reductions pursuant to secs 411 and 412	+7,799			
Total appropriation	1,259,000			

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $220,000 in this item below the original budget estimate consists of the following:

(1) A reduction of $849 representing management improvement.

(2) Decrease of $4,139 due to improvements made in fiscal and accounting procedures.

(3) A net reduction of $125,714 as follows:

(*a*) A decrease of $118,000 to be accomplished by reducing quotas of farmers bulletin reprints to each Member of Congress from 10,000 per year to 5,000 and by printing fewer bulletin copies to support the reduced quotas.

(*b*) A decrease of $7,714 resulting from improvement of management practices and better manpower utilization.

(4) A net decrease of $82,681 as follows:

(*a*) A reduction of $65,000 in the cost of publishing the Agriculture Yearbook to be effected by reducing the number of pages and the illustrations and effecting technical printing economies.

(*b*) A reduction of $16,000 in funds for reprinting the cook book Family Fare to be effected by reducing the annual quota for each Member of Congress from 1,000 copies to 500 copies.

(*c*) One thousand, six hundred and eighty-one dollar decrease representing management improvement.

(5) A net decrease of $135 as follows:

(*a*) A transfer of $40,000 from the project "Preparation and distribution of agricultural information by exhibits" to the project "Preparation and distribution of agricultural information by television." The release of $40,000 to be used for television services will be accomplished by elimination of showings of exhibits at State fairs and interstate fairs during the 1953 exhibition season, by removing older exhibits from use, and by intensifying a program of exhibit cooperation recently begun with State extension workers. Approximately $20,000 of the transferred funds will be utilized to employ technical specialists for training and assistance to Department personnel and land-grant college workers in the use of television and to plan programs of Department information on cooperating network programs. The balance of transferred funds will be used principally for (1) preparation of visual aids for agricultural television programs and (2) preparation of film footage in different lengths to fit television program timing either from new films or from motion pictures of past years.

(b) $135 reduction representing management improvement.
(6) A decrease of $1,088 representing management improvement.
(7) A reduction of $883 representing management improvement.
(8) A net decrease of $4,511 representing improved management practices and better utilization of manpower. One position in the Motion Picture Service will be eliminated by reducing reports to Department agencies on film distribution and by reducing work concerned with evaluating agriculture films.

Mr. ANDERSEN. Mr. Aplin, we are glad to have you with us today. Do you have a short statement to make before we call on Mr. Webster?

Mr. APLIN. Yes; I do.

(The statement requested is as follows:)

Mr. Chairman, it is a pleasure to appear before you and your committee for the first time. Secretary Benson appointed me as an assistant to him when he took office in January. He has assigned to me responsibilities with respect to administrative agencies within the Department. These agencies include the Office of Budget and Finance, Office of Information, Office of Personnel, Office of Plant and Operations, Office of Hearing Examiners, and the Library.

In order to introduce myself to the committee, I will give a brief sketch of my background. I was born in 1903 on a dairy farm at Putney, Vt. This farm has been the Aplin family homestead since 1791 for five generations. I am a graduate of the University of Vermont, having received my bachelor's degree there in 1924 and my master's degree in 1926. I specialized in animal husbandry and agricultural economics. I worked on cost of production estimates for the United States Tariff Commission in 1926 and 1927, after which I became county agricultural agent at Middlebury in Addison County, Vt. As a county agent I was concerned particularly with farmers' marketing problems and carried on educational campaigns urging farmers to produce and market milk more evenly throughout the year. After 3 years as a county agent, I operated a large dairy farm at Basin Harbor, Vt., for a year and then became county agent at large for the Vermont Extension Service. In 1932, I became extension economist in marketing at the University of Vermont.

In 1933, when the first Boston milk license and marketing agreement was put into effect, I helped to administer it. Since that time, except for a brief period in 1936 when I administered a milk marketing license in Washington, D. C., I have been active in numerous capacities in the administration of milk marketing in New England.

I was assistant administrator of the Federal milk marketing orders for the Greater Boston and Lowell-Lawrence markets until 1946. At that time I became market administrator for these areas, and in 1950 I was given the added responsibility of administering similar orders for the markets of Springfield and Worcester, Mass.

The hearing this afternoon is on the budget for the Office of Information. Mr. R. L. Webster, Director of that Office, will present a general statement with respect to his agency and will be prepared to answer questions with respect to the program of the Office of Information.

Mr. ANDERSEN. Mr. Webster, if you have a general statement you wish to make, we will be glad to hear from you now.

GENERAL STATEMENT

Mr. WEBSTER. Thank you, Mr. Chairman.

If it is agreeable to the committee, I would like to make an introductory statement which covers the general thinking on the information work of our department.

This particular appropriation is usually so involved in such terms as dollars and projects and in the various media such as press, radio, and publications that if we do not watch ourselves we forget a bit the real purpose of what we are trying to do.

OBJECTIVE OF INFORMATION SERVICES

The purpose of our information work is to furnish to the farmers and the people of America the results of the research which the Department is doing, and to report on other activities, such as the market news, crop conditions, conservation programs, credit, and so forth.

I have here a chart which will show rather quickly and graphically what we are trying to do.

The purpose of this chart is to show how the United States Department of Agriculture and private channels and media report agricultural information to farmers and to the public.

Over here [indicating] on the left-hand side of the chart you will see the work of the Department. It is grouped the way the Secretary recently grouped the work in the Department, with the research, extension, and land-use group under Assistant Secretary Coke; the commodity, marketing, and adjustment group under Mr. Davis; the foreign agricultural service group under Mr. Short; and the agricultural credit services group under Mr. Farrington.

This [indicating] is the basic work that our information is supposed to take care of and support. Our work is to see that the information about this work reaches the man it is intended for, which is the farmer pictured over here on the right. We try to keep in mind all the time, no matter what we are going through, that the farmer is the man we are supposed to be working for. It is quite a way from all the programs here [indicating] over here to the farmer. In between is where we feel the information work can be most useful and helpful to the farmer.

Almost everything the Department does appears in a document of some sort. If it is a piece of research work the scientist probably writes up a very technical report on it. It may be a legal document. It may be something to do with a loan. Whatever it is, it is usually in a document of some sort. It is usually technical and it is often legal, and all too often it is a little on the long-winded side.

NEED FOR NONTECHNICAL MATERIAL

The farmer obviously does not have the time to read all the documents, and he would not have the time if there was some way of getting them all to him, which, of course, there is not. The farmer is accustomed to finding out about what is going on in the Department of Agriculture and agriculture in general through the local channels that are at hand for him. He reads his farm magazine or his newspapers, or turns his radio on, or he may write to his Congressman for a publication, or he may get it through a county agent, or he may go to a farm organization meeting, or he may go to the county fair. Whatever comes to him at his locality, or county, is for the most part information that comes to him from pretty close at hand, or comes to him in a form that he is accustomed to. It will be a great deal different from these documents which represent the work that originally comes out of the agency.

Well, a farmer does not have the time to read all these, and we have found over a good many years that neither do the editors of the farm magazines, nor the radio people, nor the people who want

publications. They want something different from the technical documents.

So you find this middle ground here [indicating]. We have a few people who take this technical information, put it in a somewhat more readable and shorter and simpler form which the farm magazines can use, that the radio people can use and the TV people can use and we give it to them.

I have probably belabored that point a bit, but whatever we talk about, and whenever we are talking about our work, we try to test it against this process. The farmer wants to get information and he needs to get it in a form different from that in which it first appears, and that is the particular way that our work is carried on.

I should point out one thing, the heading on these different media—extension and non-Government channels. In some cases, our relationship for reaching these people is through the Extension Service, or in connection with the Extension Service. It varies a bit depending upon what the material is. For example, we furnish some material to the agricultural extension editors, the people in the State colleges, who in turn deal with the newspapers in their particular States. We do not mail material to all the weekly papers in Minnesota, for example, but we do mail material which goes to the State college. They adapt it to the local conditions and service the papers there.

The State extension services distribute about 3 million farmers' bulletins a year. If we would furnish more they would take a good deal more.

Our motion pictures are not distributed by us, but are placed in the film libraries of the States and about half of them are in colleges. We try to plan our work to tie in, so to speak, with the work of the colleges.

Last fall we had a meeting on publication improvement which brought in people from a half dozen State colleges. They reviewed the work we were doing and the publications and told us some of the things that they were doing. We try to see that our work dovetails and that we do not have duplication.

We have done a somewhat similar thing in the motion-picture field.

PROPOSED YEARBOOKS FOR 1953 AND 1954

Mr. ANDERSEN. I wish that you would give us some information about the proposed yearbooks for 1953 and 1954.

Mr. WEBSTER. I will start with the yearbook for 1953, which is the yearbook on plant diseases. We will publish 230,850 copies.

Mr. ANDERSEN. What will be the date of the publication?

Mr. WEBSTER. It will be about the third quarter. With regard to yearbook publication, we usually have about three of the books in process at the same time. Now, this is the calendar year 1953, and at the moment we are working on the plant-disease book. It will come out some time in the July–September quarter.

Mr. ANDERSEN. And it will probably be available about the 1st of October?

Mr. WEBSTER. Yes. And this one on plant diseases might be a little earlier than that. Anyway, it will be somewhere in that quarter, as far as we can tell. The work is well along on it.

Now, we are working on the next yearbook, which is in the general field of marketing. That book, we think, will come out a little later in the year than the one on plant diseases for the reason we will show later in our increases and decreases discussion. We are having to shrink the size of the book, and strange as it may seem, it takes longer to write a short one than it does a long one.

Mr. ANDERSEN. How much work have you done on the 1954 book?

Mr. WEBSTER. I do not know whether I can give a percentage on it or not. The plans are all made. The outline has been made. The assignments to the authors have been made, and a number of manuscripts are already in hand. The deadline is the end of this month for the manuscripts to be in to the editor.

Mr. ANDERSEN. Do you have any way of estimating how much money you have committed or expended irrevocably on the marketing book?

Mr. WEBSTER. Well, we have not spent any of the printing money on it, which is the major expense. The other expense that comes out of our appropriations is the expense of the editor and one assistant.

REPRINT OE PUBLISHED YEARBOOKS

Mr. ANDERSEN. It has been suggested to me by certain Congressmen that for 1954 we should have a reprint of one of the more popular books of recent years, rather than putting out a new volume. What do you think of such a suggestion?

Mr. WEBSTER. I think that I would rather see that done in 1955 rather than in 1954. With regard to the book on marketing, there is more than the work of this editor and his assistant. We must consider the time that has been spent by the many people who have contributed articles to the yearbook.

Mr. ANDERSEN. That is just the point that I was coming to. How deeply involved are you in the 1954 book? Are you at a point where it would cause quite a financial loss to the Government if you were to discontinue or postpone it?

Mr. WEBSTER. I think it would certainly mean that all of the initial writing of manuscripts, the first drafts and all of that, which has been prepared for the whole book, would either have to be held in abeyance and revised later, or be lost.

Mr. ANDERSEN. Then you would suggest, if we do consider a reprint, it should be in lieu of the 1955 book?

Mr. WEBSTER. Yes.

Mr. ANDERSEN. Do you have on hand the plates for any of the previous volumes, such as keeping Livestock Healthy?

Mr. WEBSTER. Yes. That one was reprinted in 1944.

Mr. ANDERSEN. That is right.

Mr. WEBSTER. And I believe that there was a very small reprint subsequent to that in 1951, and the plates are available. The plates are available for the Yearbook on Trees and for the one on Insects.

At the time that we were discussing the revision of the budget we investigated the cost of reprinting Trees and our figure on that is $225,000, or, the figure of the Government Printing Office. For reprinting Insects, $249,000. We did not get estimates on any other any further back than those. Last spring we did some digging into this and the figure that we had on Keeping Livestock Healthy at that

time was $235,000. I do not know whether costs have gone up since then or not. I suppose if you were going to reprint Keeping Livestock Healthy it would run between $200,000 and $250,000. It is a pretty big book, about 1,200 pages, as I recall.

We have some reservations as to the wisdom of reprinting that book because of the many developments that have occurred since it was printed.

Mr. ANDERSEN. I was going to suggest that, if that book was first printed in the early forty's, it would require quite a bit of revision.

Mr. WEBSTER. Our Bureau of Animal Industry people feel that it is pretty badly out of date.

Mr. ANDERSEN. When was the volume on Trees issued?

Mr. MCCORMICK. In 1949.

Mr. WEBSTER. That is right.

COST OF YEARBOOK REPRINTS

Mr. ANDERSEN. What would be the cost of reprinting such a volume for 1955 compared to issuing a new volume? I think that you quoted a figure of $225,000 for Trees.

Mr. WEBSTER. $225,000 is the latest estimate we have from the Government Printing Office.

Mr. ANDERSEN. How would that compare with the cost of putting out a new book in 1955?

Mr. WEBSTER. Our estimate is $213,000 in the budget for the book on Marketing.

Mr. ANDERSEN. Then you say that the new book would cost less than the reprint?

Mr. WEBSTER. That is right.

Mr. ANDERSEN. A much smaller volume?

Mr. WEBSTER. Fewer pages and probably some other economies will be effected. We had originally thought that the book on Marketing was going to be around $278,000.

Mr. ANDERSEN. But you have intentionally reduced the size, have you not?

Mr. WEBSTER. Yes. We have made the proposed cut.

REDUCTION IN FARMERS' BULLETINS QUOTAS

Mr. ANDERSEN. Give us some information on the farmers' bulletins. I see that there is quite a reduction in the request for reprints of bulletins, $118,000.

Mr. WEBSTER. Yes.

Mr. ANDERSEN. If the reduction is allowed, how many farmers' bulletins will you be able to put out with the remaining money?

Mr. WEBSTER. Under the budget item that we propose, there would be a change in the quotas for distribution by Members of Congress.

Mr. ANDERSEN. What kind of change?

Mr. WEBSTER. The change would be from 10,000 to 5,000 copies per member yearly.

Mr. ANDERSEN. Now, what is the sense in spending $60 million a year on research in the Department of Agriculture if we do not put the information out to the people who make use of such research?

Who authorized any such pennywise and pound-foolish thinking? Did you get that request from the Budget?

Mr. WEBSTER. Revising the budget is a sort of group affair.

Mr. ANDERSEN. I do not want to put you on the spot, but I will say that I think it is very foolish when we spend $60 million a year for research. The only possible way to justify such an expenditure, for research, is to get the information out to the people who can make use of it, and that is done largely through the farmers' bulletins.

You say if this reduction goes through you will cut down the allotment of each Congressman and Senator from 10,000 to 5,000 yearly?

Mr. WEBSTER. Yes.

Mr. ANDERSEN. What further reductions are there? How about the extension workers and such? What will it do to them?

Mr. WEBSTER. The extension people last year distributed something less than 3 million. They would take unlimited copies, but we sort of have to ration them out, and we would ration them proportionately under the new program.

Mr. ANDERSEN. Would that mean that you would cut them about half?

QUOTAS FOR PAST YEARS

Mr. WEBSTER. I would suppose so. When we came to look at this we realized that it was a rather drastic cut, and we went back and checked the records for about 30 years and found that the allotments to Members had ranged from a high of 20,000 to a low of 5,000. At the time that they were as low as 5,000 it was a time when there was a demand for economy. For instance, in 1931 the quota was 20,000. In 1932 it was down to 5,000, a cut of 75 percent in the quotas for Members. It stayed at 5,000 for 3 years. It went up to 10,000 and it never has dropped below 9,000 since. It has varied from 9,000 to 10,000 and 12,500 over all those years.

Mr. ANDERSEN. I think that it would be well for the purposes of the record to insert the table that you are quoting from at this point.

(The tabulation requested is as follows:)

Annual quotas of farmers' bulletins for each member of Congress

Fiscal year:	*Annual quota*	Fiscal year—Continued	*Annual quota*
1925	16,000	1940	12,500
1926	17,000	1941	12,500
1927	17,000	1942	9,000
1928	15,000	1943	10,000
1929	20,000	1944	10,000
1930	20,000	1945	10,000
1931	20,000	1946	10,000
1932	5,000	1947	10,000
1933	5,000	1948	9,000
1934	5,000	1949	9,000
1935	10,000	1950	9,000
1936	11,000	1951	10,000
1937	11,000	1952	10,000
1938	12,000	1953	10,000
1939	12,500		

REVISION OF FARMERS' BULLETINS

Mr. ANDERSEN. I note that an increase has been allowed for what is termed "Revision of Farmers' Bulletins and Other Publications."

Mr. WEBSTER. Yes.

Mr. ANDERSEN. Will you give us some information on that?

Mr. HUNTER. How many of the Congressmen use their entire allotment?

Mr. WEBSTER. I do not have the statistics on that.

Mr. HUNTER. If a member is allowed 10,000 the total would be around 5 million.

Mr. WEBSTER. It would be, roughly, 5 million copies.

Mr. HUNTER. I am wondering how many on the average are actually used.

Mr. WEBSTER. I believe that Congressional distribution last year was a little under 5 million. We find that all the Members do not use all their quota. If you go through the list you will find that some quotas will build up. The man who does not use his quota one year will have quite a number after a while, particularly if he lives in a city district.

Mr. HUNTER. For how any years are they cumulative?

Mr. WEBSTER. We have never put a limit on it. At the moment we have about 20 million on deposit. Members are entitled to draw about 20 million from us. If they want to draw all the bulletins they have coming today, we would have to dig up 20 million.

Mr. HUNTER. You do not budget for that?

Mr. WEBSTER. No. It is just like a bank.

Mr. HUNTER. You know about what the average demand will be for them?

Mr. WEBSTER. Yes; just like keeping enough cash in a bank to meet the current demand. We have been printing anywhere from 5 million to 8 million copies a year. We have on hand about 7 million copies at the moment.

Mr. ANDERSEN. There are a good many Congressmen like myself who make what you might term trades with Congressmen from city districts in order to secure more of these Farmers' Bulletins. My office force does that as a matter of common practice. We attempt to secure more of an allotment from any source we can. To me 10,000 is just a comparatively small fraction of what I send out. That would explain somewhat the fact that 5 million copies did go out this last year, which is near the sum total that is allowed. Of course, my area is almost entirely agricultural. The thing tends to balance itself.

Mr. WEBSTER. We would think that perhaps some more of this obtaining of copies from people who have the extra quota might be done against this 20 million backlog to get us by this 1 year with this reduced quota.

Mr. HUNTER. One thing I have been wondering about is this backlog. Perhaps there is some way of preventing that accrued liability from developing to such a great extent. I should think if anyone was going to use the bulletins he would use them within a reasonable time after the allotment became effective. Of course, you do not print 5 million of a particular publication immediately, do you?

Mr. WEBSTER. No. We have a list, and the list that we furnish you has been 500 and 600 different titles. This [indicating] is the list that we are furnishing now. I think that there are 560 titles here. We watch the stocks of those, and if there is a run on any one stock we reprint that to keep in stock.

Mr. HUNTER. You do not end up with a large stock of publications which you cannot get rid of?

Mr. WEBSTER. That is right.

Mr. ANDERSEN. You say that you have about 7 million individual copies on hand normally; is that it?

Mr. WEBSTER. As of now.

Mr. HUNTER. That is not very many.

Mr. ANDERSEN. That is more or less like a cash working balance in a bank.

Mr. WEBSTER. That is right.

Mr. ANDERSEN. You do not have the money in reserve to take care of the 20 million copies that these Members of Congress supposedly own; do you?

Mr. WEBSTER. No.

Mr. ANDERSEN. After all, your request is based entirely on the foreseeable outgo in the future?

Mr. WEBSTER. Right.

BULLETIN-REVISION PROGRAM

Mr. ANDERSEN. I believe I asked you about the need for revision of some of these bulletins.

Mr. WEBSTER. Yes.

Mr. ANDERSEN. And they have allotted you an additional $48,000?

Mr. WEBSTER. Yes; we are asking for $48,000 more.

Mr. ANDERSEN. Will you discuss that?

Mr. WEBSTER. Last year we presented to the committee a report on the age of publications that were in the list that we were providing at that time. This [indicating] is the same old chart that we had. I just use it to refresh your memory, so to speak, on it. We had 583 publications. We found that 40 percent were no older than 5 years. We found that 23 percent were 6 to 10 years old. That is about two-thirds of the total. The other one-third of them were more than 10 years old.

We told the committee that we would do everything we could to correct the situation. We found when we got into it it was a pretty complicated job. As you can see, these bulletins originate in all the bureaus of the Department. Each one of these columns represents one of the bureaus. Most of them are in the Agricultural Research Administration. We have gone to work with the assistance of Mr. Roberts and his staff and worked with all the bureaus, and we have under way in the Department what is generally known as the bulletin revision, or the publication-improvement program. We have a program which contemplates during the next few years we will revise and bring up to date about 100 per year. We will over that period try to get 300 over and above what we would otherwise do.

We feel very strongly that we cannot go on offering to the Members of Congress, and all the others who come to us for information, these old publications. In most cases the information is all right as far as it goes, but many things have happened in research in the last 10 or 15 years, or even in the last 5 years, and we believe that we either ought to go out of the publication business, or we ought to bring them up to the point where we will be putting out current information.

Mr. ANDERSEN. When you select these copies to be revised, I presume that you take those that have been most in demand first?

Mr. WEBSTER. Yes. None of the bulletins are on the list unless the demand has been pretty good for them. That is our first assumption, that there is a good demand for them.

Mr. ANDERSEN. Do not some of these bulletins die a natural death because there is no demand for them?

Mr. WEBSTER. Yes. When the demand runs out we leave them off the list.

Mr. ROBERTS. I might say that in our review of this whole problem we started with a total of 691 bulletins that were available for distribution. We found that 267 of them were not in need of immediate revision. We found that 52 could be discontinued and that 372 should be revised. Some of those are in urgent need of revision. This estimate represents an attempt to correct that situation over a period of 3 or 4 years. I realize the tendency of the Congress to want to economize, particularly in informational activities, but if there is any urgent need in this budget, I think this is one. If we are going to continue to spend public funds for these bulletins, we ought to get them into shape where they reflect the latest possible thinking of the research people in the Department.

Mr. WEBSTER. I might point out that of the $48,799, $30,000 would be for additional printing costs involved in setting up the new type and the new illustrations and that $18,000-plus would be for personnel and miscellaneous expenses.

Mr. ANDERSEN. How many revisions are you contemplating with the $48,000?

Mr. WEBSTER. One-hundred extra. One-hundred more than we normally do with the fund or force that we have. That would do a third of that job that we have blocked out on this 3-year program.

Mr. HUNTER. You were speaking of the editor and a number of assistants. Do they exercise any power of censorship or review over the publications?

Mr. WEBSTER. Do you mean in this revision program of which we have been speaking?

Mr. HUNTER. There is one thing that has been disturbing me. I will not say frequently, but quite often, some of these bulletins contain some very inane statements that the press picks up, which have the effect of bringing ridicule upon the entire program. The ladies from the Home Economics Agency were in here. I did not put anything in the record because I did not want to offend them because I believe they are sincere but so often there will be a statement something like this—speaking of shoes, the lowers will wear out before the uppers; and that will be couched in very profound language. Another one: If you are going to wash dishes you must have a dishpan first that will be large enough to hold the dishes; secondly, small enough to put in the sink. Is there not someone in the Department who can check such material and eliminate such statements.

Mr. WEBSTER. My only defense on that is those are the ones that get away from us. They will get by us once in a while, but we are there to stop just that sort of thing; to see that the information is logical and that it does not contain these so-called useless things.

Mr. HUNTER. Their answer to me was that for some people you have to write in very simple language. My contention is if you have to be

that simple in your explanation, the beneficiaries very likely cannot read in the first place and there is no sense in bothering with the publications.

Mr. WEBSTER. I do not want to cross up a fellow worker, but I believe we would aim to avoid that.

Mr. HUNTER. You take an interest in that?

Mr. WEBSTER. Yes. That is one of our purposes.

Mr. HUNTER. I am glad to hear it.

INCREASE FOR TELEVISION

Mr. ANDERSEN. Mr. Webster, you have an increase of $40,000 for a new item having to do with the preparation and distribution of agricultural information by television.

Mr. WEBSTER. Yes.

Mr. ANDERSEN. What percentage of the farmers actually have access to television today?

Mr. WEBSTER. It depends upon the part of the country that you are in.

Mr. ANDERSEN. I know that very definitely. I am asking you the percentage on a nationwide basis. Would you say that 10 percent of the farmers in the Nation today have access to television?

Mr. WEBSTER. Yes. Actually, I do not have a percentage figure, but I think it would be quite a bit above 10 percent.

Mr. ANDERSEN. It might be 20 percent.

Mr. WEBSTER. I will try to dig up an estimate and put it in the record.

(The information is as follows:)

Information requested is not available, as there are no reliable statistics in the Department or in the television industry from which any reasonable estimate could be made on the number of farmers having access to television.

Mr. ANDERSEN. For the coming year would not $40,000 do more good in getting information to the farmers by having additional Farmers' Bulletin reprints than to specialize in one field which reaches only 20 percent at the most of agriculture? In Minnesota I don't know a single farmer who would be affected by television. We get television up from the Twin Cities for approximately 50 miles, leaving two-thirds of the State unaffected in any way. I am just wondering if we are not a few years too far ahead in allowing any money for that purpose at this time; that is, when one considers that we have to pinch as we do on Farmers' Bulletin reprints.

Mr. HUNTER. What will you actually spend it for? You will not buy television time; will you?

Mr. WEBSTER. No. This money would be spent primarily to help agricultural television, not so much in Washington, but the television stations, and particularly the farm television programs that are carried on throughout the country. There are at the present time 152 television stations operating and there are 58 stations that have farm programs—programs that are aimed at reaching the farmers.

We would handle this television work much the same way as we handle our radio work. There are what we call radio farm directors, people who have farm radio programs. We furnish them material for radio purposes. We do the same thing in television.

Mr. ANDERSEN. Now, radio, as you know, gets into every farm home in America. But there are certain technical handicaps that prevent the same thing from happening as far as television is concerned. I am just questioning the advisability of it. When I spend money I like to know where I can get the most value for it in a given length of time.

Mr. WEBSTER. We feel in the matter of television that we could treat it about the same way we did radio. When radio started in the United States and when the United States Department of Agriculture first went into radio, there was a good deal of question because at that time a great many farmers did not have radio sets, or they had battery sets that did not work very well; but nevertheless back there in the twenties Congress approved the Department of Agriculture setting up a radio service. It was not very large. It was a small group of people. Those people developed the National Farm and Home Hour. They developed the network operation, but, more important, they did a great deal of work with the people out in the country.

It was sort of an extension project. They worked with the people in the State colleges, helping them with the county agents, and the results today are that some 2,200 county officers are using radio in one way or another. A county agent will have his own radio program. The home-demonstration agent will use the radio. There will be programs emanating from the land-grant colleges. We feel that television is at about a comparable stage as far as agriculture goes. It is coming pretty fast. As I mentioned a moment ago, there are 152 stations operating. We figure that by the 1st of July this year there will be 175 and that by July 1, 1954, which would be the end of the fiscal year that we are talking about, there may be as many as 300 stations operating. Your sets will go up from 22.5 million to maybe 35 million, and the audience will go up from 85 million at the present time to about 133 million.

Mr. Andersen, our people have given me a report on the construction permits that have been issued by the Federal Communications Commission. This report shows that construction permits have been granted for an additional station in St. Paul, 1 in Duluth, 1 in Rochester, and 1 in St. Cloud.

Mr. ANDERSEN. Of those only two are really farm centers, St. Cloud and Rochester. The others are metropolitan, and that is the case with the great bulk of the television stations today.

Mr. WEBSTER. The television people, in the States where they have these farm programs, seem to feel that farm listening is increasing.

Mr. ANDERSEN. Naturally, they would think so, because you can be of a great deal of assistance to them, as you have been in connection with radio programs. I am just questioning the utilization of this money for this purpose as compared with what it could be used for otherwise.

TRANSFER OF EXHIBIT FUNDS TO TELEVISION

Mr. ROBERTS. Mr. Chairman, when Secretary Benson came in, he was somewhat amazed by the fact that the Department was not doing any work on the use of television. There is a small amount of research funds being spent in cooperation with the Iowa State College, but that is the only money we are spending on television. In connec-

tion with recommendations for the revision of the budget, he felt that this was something that should be provided. At the same time, he hesitated to propose an increase. Accordingly, the budget proposes that we divert about $40,000 from work we have been doing on exhibits and put it into television work. It is a question of placing a priority on television in relation to exhibits work in the Department.

Mr. ANDERSEN. Mr. Roberts, this is really a transfer of funds that were formerly used for exhibits at State fairs to television; is that correct?

Mr. ROBERTS. That is correct.

Mr. ANDERSEN. There again, the same objection would exist, as far as I am concerned. Take the Minnesota State Fair, for example; about how many people would you say, Mr. Marshall, would visit that fair in 10 days? Would you say about 900,000 people?

Mr. MARSHALL. I would say that was pretty close.

Mr. ANDERSEN. It would be a figure somewhere along in there. Of those 900,000 who would go to that big State fair, perhaps only 200,000 at the most would have any possible access today to television. That would be my guess. In other words, you would be taking away from 700,000 certain benefits in order to bring benefits to only 200,000 people who may happen to live close to television outlets today. Is not that about what it amounts to?

Mr. ROBERTS. Of course, we are looking at it from the national standpoint.

Mr. ANDERSEN. Surely. I am speaking of an area that I know something about, however.

Mr. ROBERTS. Surely.

Mr. APLIN. May I say a word on that, Mr. Chairman?

Mr. ANDERSEN. Certainly, Mr. Aplin.

Mr. APLIN. I think the Secretary's idea was to do some spade work on television so that a few years from now, when a much larger proportion of the farmers will have access to it, the extension services and the Department of Agriculture will have gained some experience in how to put out educational material through television.

Mr. ANDERSEN. I think it is perfectly all right, Mr. Aplin, to allocate some money for television. I am not suggesting that we shut it out entirely. But if we have to sacrifice farmers' bulletins to the extent that we do in this budget, there should not be a dime for television as far as I am concerned. That is my attitude today. But I agree absolutely with you that we should begin to look toward a television service and, undoubtedly, we shall.

Mr. WEBSTER. Mr. Chairman, we have been trying to get up our courage to have an estimate of this kind up here now for several years, but we were somewhat dubious about how it would be received.

I notice that the Saturday Evening Post had something on the television activity at the Capitol. I have forgotten when this came out, but it gives something about the informational outlets.

TELEVISION STATIONS OPERATING

This is a map of television operations today. Every black dot represents a station operating. The ones with the red circle indicate that there is a farm program coming from that particular station. At the time that the Federal Communications Commission indicated

that they were going to lift the freeze on construction permits, they indicated where stations might ultimately be. This, presumably, is several years off, but there are about 2,000 potential television outlets and this is what the Federal Communications people would say that television in the United States will be some day. That is the sort of thing that we keep in mind in looking forward to what we might be doing and ought to be doing.

Mr. ANDERSEN. Certainly; and if you had such a condition approximating that today, I would say that we should go ahead and give you whatever money could logically be expended for this purpose. But, turning back to the other chart, which reflects a matter of reality, you will see that in great farm producing area through the Midwest, those States of Wisconsin, Illinois, Missouri, Kansas, Iowa, Nebraska, and Minnesota, there are only five television outlets. Three of those are in the vicinity of Chicago and two in the vicinity of the Twin Cities. You can appreciate what that offers to the average farmer in that area.

Mr. WEBSTER. Yes. As I have mentioned, four permits have been granted to these stations which do not show on this chart.

Mr. ANDERSEN. Of course, when we get to a situation approximating what is shown on that second chart, then I would be in full agreement with you. But if we have to pinch on farmers' bulletins today, and reduce the number for each Congressman from 10,000 to 5,000, then I do not see how we can agree to spend this money on television.

Mr. MARSHALL. Mr. Chairman, I think there is quite a little problem involved here as I understand the policy of the Department of Agriculture. Certainly radio programs and, if necessary, television programs, ought to be included, under some circumstances. It would seem to me that what would really be required would be something in so much greater detail than you could possibly put out over the air. Why should not private industry, private concerns, have the responsibility of developing the informational programs over the air and leave the Department in the position of furnishing information through the regular sources, such as these pamphlets and bulletins, and so on?

Mr. WEBSTER. I would say, Mr. Marshall, that television is one of the regular sources, and we have to do a minimum job of organizing the information for this media.

Mr. MARSHALL. Let us be more specific, Mr. Webster. Let us assume that I am out on the farm. What can I get through television or over the radio that will be of assistance to me, that is put out by the Information Service?

Mr. WEBSTER. I think you could get reports on livestock diseases, reports on new——

Mr. MARSHALL. Just a moment. Let us start with livestock diseases. If I am being troubled with some livestock diseases, I am going to attempt to get information about that, am I not?

Mr. WEBSTER. Yes. But I think it would be a service to you in this way. Suppose there was an outbreak of a disease in some place some distance from you. And let us suppose that the people in your State, or at this television station or radio station near you had gotten information from us about this outbreak, assuming it were a new disease, what the symptoms were in the livestock, if they did no more than just flag that to you, that would be of service to you.

Mr. MARSHALL. Do you not think that I would have other sources available to me than radio and television?

Mr. WEBSTER. Yes. I do not say that television is the only way for a man to get information. But I believe it is one of the ways in which people can get information. Some of the television people have found and some of the land-grant college people have found that when they use a television program, many times they reach people whom they do not reach through their normal media, such as holding meetings and demonstrations and things of that kind.

Mr. MARSHALL. Why should not such a matter be taken care of by the land-grant colleges in the State?

Mr. WEBSTER. What we do is to work altogether in cooperation with the land-grant college people and we work very closely with them in this television program and in the radio program; but now they are asking for guidance in using television.

Mr. MARSHALL. Mr. Webster, I do not have any quarrel with you at all about furnishing information to land-grant colleges, or through bulletins or pamphlets, and so forth. But it is a little bit difficult for me to understand where you come in in developing such things as radio scripts and television programs. It seems to me that would be somebody else's responsibility.

DETAILS OF TELEVISION INCREASE

Mr. ANDERSEN. May I ask at that point just how you intend to spend this $40,000 if it is given to you? Whom are you going to employ? Tell us where that money is going to go.

Mr. WEBSTER. I would break it down in two parts. About half of it would be for personnel and about half for materials.

Mr. ANDERSEN. What personnel?

Mr. WEBSTER. We would add four people.

Mr. ANDERSEN. What would they do?

Mr. WEBSTER. They would work with the land-grant college people, for one thing.

Mr. ANDERSEN. Let us first specify their duties. What will be the jobs of these four individuals? I assume you would have one person in control of the branch?

Mr. WEBSTER. Yes.

Mr. ANDERSEN. And he would have to be a specialist, I presume, in advertising?

Mr. WEBSTER. He ought to understand the television business.

Mr. ANDERSEN. He would probably be a man transferred over from the radio section?

Mr. WEBSTER. Possibly.

Mr. ANDERSEN. What would be the other three positions? What would they put out in order to justify this money?

Mr. WEBSTER. I can give you a sample of it through telling you the kind of demands that we are getting, for one thing.

Mr. ANDERSEN. All right.

Mr. WEBSTER. For instance, the people who have done market news, working on the radio, will say that a certain type of cattle brought a certain price on a given day. Now, on a television program, we would have some photographs of the cattle of different grades and indicate what these cattle brought. We would have photographs

which would show what kind of cattle brought that kind of price. We think it would be more efficient in the whole relationship with agriculture if we had a good set of these photographs which could be reproduced very simply and made available to these television stations who could use them in that way.

If we had plans for an improved type of dairy barn, or maybe something that had been developed at Beltsville, or at one of our research stations, that could be made readily available to all the colleges and to the stations. We would get the reports on that and we would get drawings of it and make photographs of them or a motion picture of them, which would be made available to these stations either on request or through some sort of an arrangement, so that very quickly you could take the newest work that the Department was doing and make it available by means of television to a great many people who normally would have to wait some time to get it.

Mr. MARSHALL. It still comes back to the point that is bothering me. Certainly, as far as those things that you are talking about, I feel that there is definitely a place where you have to function. But when you take the next step of devising these things which industry could be doing, it seems to me that what you would be doing in such a case would be a duplication, and outside your field of assistance. You have fulfilled your responsibility in the Department of Agriculture by giving them the technical information upon which they could develop the balance of the program.

AGRICULTURE INFORMATION THROUGH PRIVATE INDUSTRY

Mr. WEBSTER. I guess I have not made myself clear, Mr. Marshall. I would say that perhaps we are about a step ahead of industry and what the colleges and the county agents would be doing. Let us come back to what we were talking about in the very beginning. You have got a television station here [indicating on chart], and you have the magazine here, and then it starts over here with the work being done out at Beltsville or the research station. We would get the information of what was being done and put it up into a document and get it in shape and then they would carry it from here over to the farmers. In this case they would not get it from us, but from these private industry sources, from the normal channels, just as you indicate. So it seems to me that we are just perhaps a step ahead of the channels that we are talking about, but it is the next step in between private industry and the land-grant colleges and the normal channels, and the basic work which takes place over here [indicating on chart].

Mr. MARSHALL. When you speak of the Farmers' Bulletins, film strips and motion pictures, visual exhibits, a farmer can study and restudy information that he obtains.

Mr. WEBSTER. Sometimes you can use it to do a greater job for more farmers by giving them a touch of it over the television and saying, if you want more information about this, write for a bulletin, which will give you more details on it. Or you may refer him to a county agent's office, or to a college or experiment station.

In other words, it is just one more link in the process of moving what is going on over here [indicating on chart] to this man over here.

I sincerely feel that this work on television has an important place here, just as the farmers' bulletins and the press and all the other media do.

Mr. MARSHALL. Do you have any information about what percentage of the information obtained in these radio scripts that you send out is used?

Mr. WEBSTER. I do not have any figures on it. We send out material that the State editors can use in their press services. And we see it come back in the material that they adapt and send out; for example, material that goes to the University of Minnesota, goes out from there for publication and then comes back here in published form. If we took clippings from papers in the State, we would see a good many clippings of that material. We think it is a very logical process to digest information here at the national level and then get it to the State people and let them digest it, and then adapt it to their needs when they give it to the people in the State.

We had a very good example of it with a motion picture about a year ago, on brucellosis. The people at the State college in Minnesota told us that they wanted to put on a campaign to fight brucellosis, as much as they could. We supplied them a number of prints of this film that we had made, and they showed it to about 50 county agents, who had about 1,000 different meetings up there. They said that it was one of the most useful pieces of information that they could have had. That, to us, is a sample of the kind of thing that we should do. That is where the motion picture was helping in the research on that particular animal disease.

Mr. MARSHALL. I can understand that. That is something that is perfectly clear to me and seems perfectly logical. Mr. Chairman, I do not wish to belabor the point, because we could spend all afternoon just talking about this. But I am inclined to feel that this is something that should be looked at rather carefully from the standpoint of the value that the farmer gets out of it.

Certainly, as far as value is concerned, you would not have to get very much in order to repay you for the $40,000 that you are asking for television. That is a comparatively small amount. The problem that I am thinking about is one of policy, of just where you start and where you can stop and what field you would get into.

Mr. WEBSTER. The fields are the fields that you gentlemen appropriate money for, the basic programs of the Department. That is the only excuse that we have got for operating.

TELEVISION AN IMPORTANT MEDIA OF INFORMATION

Mr. HUNTER. As I see it, the object of this whole information program is to bring information regarding agriculture not only to the farmers but to the American people generally. There are several media which the Department of Agriculture has been using, that is, press, radio, farmers' bulletins, motion pictures, and exhibits. As you have pointed out, one man learns something through an exhibit at a fair; another one sees a motion picture; another one reads a bulletin; another one hears about it over the radio. Others read about it in the farm section of their Sunday paper.

In my own particular district, farmers probably get as much or more information over the radio as they do from the bulletins. We

have a number of very interesting radio programs that are commercially sponsored and much of the information is obtained by the radio editors either from county agents or directly from the Department of Agriculture.

To me, TV is really revolutionary and is a tremendous media for disseminating information. Once TV comes into an area, the use of the radio drops off. Not only that, people do not read the papers as much; they don't go to the movies as often. So I do not think we should shortchange a top media of information.

There are certain areas that do not have TV. In my own district there are no TV stations. But it is coming. And when it comes, people will watch TV when they will not do other things.

The Un-American Activities Committee met out in Hollywood last week, and they had an estimated average daily TV audience of 2 million, which is many times what they ever had over the radio. You can use TV to tell farmers things about barns, you can tell them about brucellosis, you can tell them about any number of things concerning problems on the farm and about marketing, and so forth—problems connected with agriculture.

The Department should service TV just as it services the radio and press, because it is going to be a very important media of information. If we do not service TV, then we have no reason to service the press or the radio stations, and we might as well call it all off.

Mr. WEBSTER. The question has been raised about what this might grow into. I do not suppose any of us know, and I suppose it might come to more than $40,000. But our experience in radio is this: When we started radio work back in the twenties, we had a staff of about 8 or 10 people. At present we are servicing radio with about 5 people. There are actually less people now than we had then. It could be that with a new medium like this, it might take more to start than it will take after we get it going and the work becomes routinized.

With reference to the point that you made, sir, about television coming in, according to my report, there are now 11 stations operating in California and there are 16 more for which permits have already been granted. So it is coming.

You made a point, Mr. Marshall, about private industry and the radio. We have one measure of how important farm radio is and that is the number of radio farm directors; that is, the fellows who have jobs on radio stations and who go out and get some advertising and then follow them up and see how much the farmers are buying in that area. In the last 2 years there has been an increase of 147 farm radio directors over 2 years ago and there are 551 today. So that on the hard test of a fellow paying his way on a radio station with these farm programs, the record is pretty good, I think.

ADMINISTRATIVE SERVICES

Mr. ANDERSEN. Now, I wish you would place in the record a description of the duties of the 20 people in the Administrative Services Division.

Mr. WEBSTER. Yes, sir.

(The information requested is as follows:)

STATEMENT OF FUNCTIONS OF ADMINISTRATIVE OFFICE

A. OFFICE OF ADMINISTRATIVE OFFICER

1. Prepares and assists in presenting budgetary estimates to the Department, Bureau of the Budget, and Congress; exercises expenditure controls through apportionment and allocation of available funds; prepares all special budgetary reports; conducts general administrative services for the Office of Information; and advises with agency offices on administrative matters relating to information work.

2. Conducts the personnel functions of the Office of Information including recruitment and placement of employees, counseling, performance ratings, and preparation of functional and organization charts.

GS–11, administrative officer	1
GS–7, administrative assistant (personnel)	1
GS–5, clerk	1
Total employment	3

B. FISCAL OFFICE

Maintains fiscal records of all financial transactions of the Office of Information including the necessary cost accounting for the production of motion pictures on a reimbursable basis under the working capital fund. Maintains property accounting controls, leave and retirement records, prepares payrolls, performs various audit functions and procurement services. Prepares all fiscal reports on current operations.

GS–11, fiscal officer	1
GS–7, accountant	1
GS–5, bookkeepers and payroll clerk	3
GS–4, clerks and auditors	4
Total employment	9

NOTE.—4 of these employees are paid from working capital fund.

C. COMMUNICATIONS AND RECORDS

Maintains proper records management. Receives all incoming publication and information requests and handles other mail, messenger, and transportation services.

GS–6, records officer	1
GS–4, file clerk	2
GS–3, file clerk	1
CPC–3, messenger	4
Total employment	8

FARM AND HOME HOUR—PRINTING COSTS

Mr. ANDERSEN. Just how extensive is your participation in the National Farm and Home Hour today?

Mr. WEBSTER. We contribute from 5 to 8 minutes of news and markets weekly, and about a dozen 10-minute features a year.

Mr. ANDERSEN. For the record I wish you would give me a comparison of printing costs between 1943 and 1953.

Mr. WEBSTER. I shall insert an answer to that question.

(The information requested is as follows:)

Printing costs in March 1953 are estimated at 79 percent above those in 1943; based on discussion with officials of the Government Printing Office. Costs estimates for 1954 cannot be forecast with any accuracy, although current wage increase negotiations, could result in some further increase.

LEGAL AUTHORITY

Mr. ANDERSEN. I would like to have a statement from you as to your basic legal authority, and whether or not it is mandatory or permissive.

Mr. WEBSTER. You want that for the record?

Mr. ANDERSEN. Yes, sir.

(The authority requested is as follows:)

STATUTORY AUTHORITY FOR USDA OFFICE OF INFORMATION

Basic authority for all the functions and activities of the Office of Information is contained in the Organic Act of May 15, 1862, establishing the Department to: "Acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture, in the most general and comprehensive sense of that term * * *" (5 U. S. C. 511). This authority on its face is mandatory.

Specific mandatory authority for distribution of farmers' bulletins is contained in the act of January 30, 1906 (7 U. S. C. 417), which provides: "In the distribution of farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths shall be delivered to or sent out under the addressed franks furnished by Senators, Representatives, and Delegates in Congress, as such Senators, Representatives, or Delegates shall direct: *Provided*, That the Secretary of Agriculture shall notify Senators, Representatives, and Delegates in Congress of the title and character of each such bulletin, with the total number to which each Senator, Representative, and Delegate may be entitled for such distribution: * * *" A comparable mandatory provision has been included in the Agriculture Appropriation Acts since 1894.

Mandatory authority for the preparation of the Yearbook of Agriculture is contained in the act of May 15, 1862 (5 U. S. C. 557), establishing the Department; and mandatory authority for its publication and distribution is contained in the act of January 12, 1895 (44 U. S. C. 241) and the 1953 Agriculture Appropriation Act (66 Stat. 352).

In addition to these statutory provisions, the Office of Information is responsible for final review, editing and issuance of publications, reports, and information materials arising under both mandatory and permissive statutes applicable to Department agencies to disseminate information, to publish, or issue rules and regulations, notices, findings, etc., in summary, as follows: to disseminate information, 9 provisions of law; to publish statistics and reports, 14 provisions of law; to publish or print notices, findings, rules, etc., 155 provisions of law.

Mr. ANDERSEN. Thank you, gentlemen.

The committee will stand adjourned until 9:30 tomorrow.

FRIDAY, APRIL 17, 1953.

OFFICE OF THE SOLICITOR

WITNESSES

KARL D. LOOS, SOLICITOR, OFFICE OF THE SOLICITOR
EDWARD M. SHULMAN, DEPUTY SOLICITOR, OFFICE OF THE SOLICITOR
K. WILDE BLACKBURN, ASSOCIATE SOLICITOR FOR RURAL ELECTRIFICATION, OFFICE OF THE SOLICITOR
CHARLES W. BUCY, ASSOCIATE SOLICITOR FOR MARKETING AND REGULATORY LAWS, OFFICE OF THE SOLICITOR
W. EDWARD BAWCOMBE, EXECUTIVE ASSISTANT TO THE SOLICITOR, OFFICE OF THE SOLICITOR
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

SALARIES AND EXPENSES

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$2,355,000	$2,352,024	$2,500,000
Reimbursements from non-Federal sources	1,516	1,400	1,400
Reimbursements from other accounts	237,474	224,895	350,000
Total available for obligation	2,593,990	2,578,319	2,851,400
Unobligated balance, estimated savings	−38,750		
Obligations incurred	2,555,240	2,578,319	2,851,400

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. Agricultural credit	$732,434	$739,086	$746,886
2. Commodity credit, production, and adjustment programs	286,780	297,181	297,181
3. Lands, forestry, research, and general legal services	450,783	455,079	455,079
4. Marketing and regulatory laws	398,585	408,943	459,643
5. Rural electrification and telephone programs	447,668	451,735	541,211
6. Obligations under reimbursements from non-Federal sources	1,516	1,400	1,400
Total direct obligations	2,317,766	2,353,424	2,501,400
Obligations Payable Out of Reimbursements From Other Accounts			
2. Commodity credit, production, and adjustment programs	212,337	206,469	300,000
3. Lands, forestry, research, and general legal services	18,460	18,426	50,000
4. Marketing and regulatory laws	6,677		
Total obligations payable out of reimbursements from other accounts	237,474	224,895	350,000
Obligations incurred	2,555,240	2,578,319	2,851,400

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	533	503	567
Full-time equivalent of all other positions	1	1	1
Average number of employees	433	442	501
Average salaries and grades:			
General schedule grades:			
Average salary	$5,251	$5,403	$5,345
Average grade	GS-7.5	GS-7.7	GS-7.1
Personal service obligations:			
Permanent positions	$2,377,772	$2,401,762	$2,652,837
Part-time and temporary positions	2,813	3,000	3,000
Regular pay in excess of 52-week base	9,145	9,238	10,290
Payment above basic rates	8,774	9,300	9,300
Payments to other agencies for reimbursable details	1,779		
Total personal service obligations	2,400,283	2,423,300	2,675,427
Direct Obligations			
01 Personal services	2,176,468	2,211,432	2,347,254
02 Travel	56,726	58,565	64,000
03 Transportation of things	1,529	1,631	2,100
04 Communication services	22,988	21,901	23,500
05 Rents and utility services	2,832	2,646	2,646
06 Printing and reproduction	12,975	10,951	12,946
07 Other contractual services	7,800	9,125	9,000
Services performed by other agencies	1,869	2,737	2,737
08 Supplies and materials	18,812	19,164	20,500
09 Equipment	13,951	13,355	14,100
13 Refunds, awards, and indemnities	75	92	92
15 Taxes and assessments	1,741	1,825	2,525
Total direct obligations	2,317,766	2,353,424	2,501,400
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	223,815	211,868	328,173
02 Travel	5,477	5,205	8,700
03 Transportation of things	148	119	400
04 Communication services	2,219	2,098	3,300
05 Rents and utility services	272	254	254
06 Printing and reproduction	1,253	1,049	1,952
07 Other contractual services	753	875	875
Services performed by other agencies	352	263	263
08 Supplies and materials	3,018	1,836	2,800
09 Equipment		1,145	1,700
13 Refunds, awards, and indemnities		8	8
15 Taxes and assessments	167	175	1,575
Total obligations payable out of reimbursements from other accounts	237,474	224,895	350,000
Obligations incurred	2,555,240	2,578,319	2,851,400

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$133,372	$168,334	$174,358
Adjustment in obligations of prior years	16		
Obligations incurred during the year	2,555,240	2,578,319	2,851,400
	2,688,628	2,746,653	3,025,758
Deduct:			
Reimbursable obligations	238,990	226,295	351,400
Unliquidated obligations, end of year	168,334	174,358	204,358
Obligated balance carried to certified claims account	1,276		
Total expenditures	2,280,028	2,346,000	2,470,000
Expenditures are distributed as follows:			
Out of current authorizations	2,156,508	2,186,000	2,305,000
Out of prior authorizations	123,520	160,000	165,000

Mr. ANDERSEN. Gentlemen, we have before us Mr. Karl D. Loos, the Solicitor of the Department of Agriculture.

Background of the Solicitor

Mr. Loos, have we inserted a résumé of your experience into the record as yet?

Mr. Loos. No, sir; this is the first time I have appeared before you.

Mr. Andersen. We will insert at this point in the record a statement as to Mr. Loos' experience and background.

(The information requested is as follows:)

KARL D. LOOS, SOLICITOR

Mr. Loos, a member of the Washington, D. C., law firm of Pope, Ballard & Loos, has practiced law in Washington and Chicago for more than 35 years. Much of this practice has been in the interest of agricultural marketing and similar organizations, and has included the preparation of marketing agreements for agricultural products.

The new Solicitor was born February 10, 1891, at Iowa City, Iowa, and was educated in the public schools there. He received his bachelor's degree from the University of Iowa in 1911 and his law degree there in 1914. He began the practice of law in Chicago in 1914 and came to Washington in 1921. Mr. Loos is a member of the bar in Iowa, Illinois, District of Columbia, and Maryland. He is a member of the commerce committee of the American Bar Association, chairman of the committee on cooperative corporations of the same group, and a member of the Interstate Commerce Commission Practitioners' Association.

In addition to his legal interest in agriculture, Mr. Loos has operated a farm at Muscatine, Iowa, and for a number of years has been interested in an oyster growing operation on the Eastern Shore of Maryland.

He is a veteran of World War I. During 1917 he was in the Marine Corps as a gunnery sergeant and later became an Infantry captain in the Army. Much of his war service was as an instructor in rifle shooting. Mr. Loos had an early interest in public speaking and debating and was a member of the Iowa University debating team in 1910 and 1911. Other college honors included election to Phi Beta Kappa, the Order of the Coif, and Delta Sigma Rho (an honorary forensic fraternity).

Mr. Loos lives at 45 West Lenox Street, Chevy Chase, Md. He has two sons. One of them, Howard H., is in business in Los Angeles; the other, Dickson R., practices law in Washington.

Justification of the Estimates

Mr. Andersen. We will insert in the record at this point pages 410, 411, and 421 through 437 of the justifications, and a statement comparing the revised estimate with the original budget estimate.

(The pages referred to are as follows:)

Purpose Statement

The Solicitor's Office was established in 1910 when the Congress prescribed that "hereafter the legal work of the Department of Agriculture shall be performed under the supervision and direction of the Solicitor" (5 U. S. C. 518). Until April 1, 1935, the Solicitor's Office was a unit of the Office of the Secretary, at which time it was established as a separate office having bureau status.

The Solicitor's Office, as the law office of the Department of Agriculture, performs all of the legal work arising from the activities of the Department. The Solicitor represents the Department in administrative proceedings for the promulgation of rules having the force and effect of law, in quasi-judicial hearings held in connection with the administration of various programs and acts; and in proceedings before the Interstate Commerce Commission involving freight rates and practices relating to farm commodities, including appeals from the decisions of the Commission to the courts. He serves as general counsel for the Commodity Credit Corporation and the Federal Crop Insurance Corporation. He furnishes necessary review in connection with criminal cases arising under the programs of the Department for the purposes of referring them to the Department of Justice.

By special assignment of the Attorney General, the Associate Solicitor for Litigation represents the Department in certain categories of cases before appellate courts, including the supreme courts of the States, United States Circuit Court of Appeals, and the Supreme Court of the United States. The Solicitor issues both formal and informal opinions on legal questions arising in the administration of the Department's programs; prepares and reviews administrative rules and regulations applicable to the public; assists in the drafting of proposed legislation; prepares, reviews, and interprets contracts, mortgages, leases, deeds, and similar documents; prosecutes patent applications for employees of the Department; examines titles to lands to be acquired by the Government or accepted as security for loans; and disposes of claims by and against the United States arising out of the Department's activities.

The legal work of the Office is carried on by 10 divisions in Washington, supervised by a Deputy Solicitor and 4 Associate Solicitors, each having 2 divisions, the Associate Solicitor for Litigation, and the Solicitor. The work in the field is handled by 10 regional and 8 branch offices.

On November 30, 1952, the Solicitor's Office had 440 employees, of whom 261 were in Washington and the balance in the field.

Appropriated funds

Appropriated, 1953	$2,352,024
Revised budget estimate, 1954	2,300,000

Salaries and expenses

Appropriation act, 1953	$2,356,000
Reduction pursuant to sec. 412	−3,976
Transfers from other accounts (shown in detail in project statement below)	+224,895
Base for 1954	2,576,919
Budget estimate, 1954:	
Direct appropriation	2,300,000
Transfers from—	
"Flood prevention, Agriculture"	18,000
"Administrative expenses, Commodity Credit Corporation"	300,000
Revised budget estimate, 1954	2,618,000
Increase	+41,081

Summary of increases and decreases, 1954

For legal services in connection with—	
Programs of the Farm Credit and Farmers' Home Administration	−$20,586
Commodity Credit, production and adjustment programs:	
Direct appropriation	−58,681
Transfer from CCC	+93,531
	+34,850
Lands, forestry, research, and general legal services:	
Direct appropriation	−7,079
Transfer from "Flood prevention"	−426
	−7,505
Marketing and regulatory laws	+36,057
Rural electrification and telephone programs	−1,735

Project statement

Project	1952	1953 (estimated)	Increases or decreases	1954 revised (estimated)
1. Agricultural credit	$732 434	$739, 086	−$20, 586	$718, 500
2. Commodity Credit, production and adjustment programs	493, 120	503, 650	+34, 850	538, 500
3. Lands, forestry, research, and general legal services	469, 243	473, 505	−7, 505	466, 000
4. Marketing and regulatory laws	398, 585	408, 943	+36, 057	445, 000
5. Rural electrification and telephone programs	447, 668	451, 735	−1, 735	450, 000
Unobligated balance	38, 750			
Total available	2, 579, 800	2, 576, 919	+41, 081	2, 618, 000
Received by transfer from—				
"Flood prevention, Agriculture"	−18, 460	−18, 426	+426	−18, 000
"Administrative expenses, Commodity Credit Corporation"	−206, 340	−206, 469	−93, 531	−300, 000
Subtotal	2, 355, 000	2, 352, 024	−52, 024	2, 300, 000
Reduction pursuant to sec. 412		+3, 976		
Total appropriation or estimate	2, 355, 000	2, 356, 000		

Status of Program

CURRENT ACTIVITIES

The Office of the Solicitor furnishes all of the legal services required in connection with the many and varied programs and activities of the Department in every State, Territory, and possession. The Secretary and other administrative officials are advised on legal problems which arise in connection with their work. Varied legal issues are presented in practically all fields of law including contract, tort, corporation, real and personal property, taxation, insurance, negotiable instruments, trust, title, bankruptcy, administrative, bailment, criminal, evidence, fraud, sales, statutory construction, admiralty, decedent's estate, suretyship, international, water rights, agency, damages, landlord and tenant, trespass, eminent domain, mining, patent, constitutional, interstate commerce, court and commission proceedings, lease, and public utility. The progress and effectiveness of the functions of the Department require legal competence with a broad appreciation and understanding of Department and related governmental policies and programs. This Office is responsible for interpreting all existing legal authorities affecting actions or proposed actions of the Department's agencies and the application of such interpretations to the programs and operations of the Department.

Some of the specific activities to which the efforts of this office are directed are—

1. Rendering opinions based on legal consideration of the Department's programs and proposals, procedures, instructions, statements, and correspondence having legal implication.

2. Approving for legal sufficiency contracts, leases, and related legal documents in connection with the acquisition of facilities, materials, equipment, and services.

3. Procuring, preparing, and reviewing abstracts and other evidence of title, preparing and obtaining the execution of necessary curative instruments and deeds and the closing of transactions.

4. Preparing or reviewing agreements with foreign, international, Federal, State, and local agencies and other cooperators.

5. Prosecuting patent applications and appeals and participating in interference cases.

6. Handling of claims by and against the Government arising from the activities of the departmental agencies.

7. Drafting and reviewing proposed legislation, recommended amendments to existing legislation and legislative reports relating to departmental programs.

8. Approving for legal sufficiency loans and borrower-lender transactions which might affect the Government's security interests; this includes the preparation of legal instruments required in loan closing, servicing, and collection and the legal review of contracting and operating problems of the borrowers.

9. Participating in rule making and adjudicative administrative proceedings.

10. Preparing and reviewing proposed regulations.

11. Presenting the Department's position in hearings before regulatory bodies, such as the Interstate Commerce Commission, Federal Power Commission, Tariff Commission, and State and local regulatory agencies.

12. Assisting in the preparation and presentation of evidence before the Bureau of Land Management in matters in which this Department has an interest relating to minerals.

13. Analyzing reports of investigation to determine whether a basis for prosecution exists.

14. Assembling and evaluating evidence, drafting pleadings, motions, briefs, and opinions, and assisting in actual trial of cases referred to the Department of Justice.

EXAMPLES OF RECENT DEVELOPMENTS

Recent developments and status of activities are listed below by major functional groups to facilitate presentation and understanding followed by a table reflecting the type and volume of legal work performed during fiscal year 1952.

1. Farm Credit Administration programs

In addition to furnishing day-to-day legal services to the Governor, the 4 Commissioners, and members of their staffs in the administration of the farm credit system and coordinating the work of the 12 district general counsel, the following subjects received special attention during fiscal year 1952:

(*a*) Special problems incident to the mineral disposal program of the Federal Farm Mortgage Corporation pursuant to Public Law 760, 81st Congress.

(*b*) Study of facts and law preliminary to the trial of a suit brought by a production credit association against a bonding company to recover under the uniform blanket bankers' bond employed in the 12 farm credit districts.

(*c*) Application to farm credit organizations of the Fair Labor Standards Act, regulations of the Wage Stabilization Board, credit controls by the Federal Reserve Board under regulations X and W, and Foreign Assets Control Regulations.

(*d*) Study of the facts and law involved in transactions of an employee in mineral rights reserved by the Federal Farm Mortgage Corporation preparatory to possible civil action to enforce rights of the Corporation.

(*e*) Study of tax laws applicable to production credit associations when they have retired all Government capital.

(*f*) Problems involved in the sale of a sugar refinery acquired in the collection of loans by banks for cooperatives.

(*g*) Problems relating to farmers' cooperatives including problems arising from amendments to the income-tax law.

(*h*) Preparation of digests of State laws relating to investment of funds in farm loan bonds, Federal intermediate credit bank debentures, and debentures of the Central Bank for Cooperatives.

(*i*) Analysis of the proposed Farm Credit Act of 1952.

(*j*) Reviewed and in some cases drafted proposed legislation relating to various phases of agricultural credit, such as a proposed amendment of the statute relating to the purposes for which loans may be made by Federal land banks, proposed amendment relating to salary limitations, and proposal for certain tax exemptions for newly formed cooperative associations.

2. Farmers Home Administration programs

In fiscal year 1952 the liquidation of the transfer agreements with the State rural rehabilitation corporations continued to be a major item of legal work. This involved negotiations for the return of the assets to the corporation, the retransfer to the Secretary under new agreements, and the preparation or approval of State legislation where the corporations had ceased to exist, all as required by Public Law 499, 81st Congress. A marked increase in cases referred for collection was experienced. Other examples of recent developments involving legal services are as follows:

(*a*) Formulation of a plan whereby corporation trust funds were made available for loans under the insured-mortgage program under title I of the Bankhead-Jones Farm Tenant Act.

(*b*) Final liquidation of defense relocation corporations as a result of Comptroller's opinion permitting the obligations of such corporations to the Government to be charged off upon conveyance of all the Corporation's assets to the Government.

(c) Complicated legal problems under Public Law 760, 81st Congress, 2d sess., relating to the disposition of reserved minerals.

(d) Special problems arising out of applications for farm ownership and farm housing loans to Indians whose land is held in trust and for a water facilities loan to an Indian tribe.

3. Commodity credit, section 32, and school-lunch programs

Legal services in connection with activities of the Commodity Credit Corporation involving price support, supply and foreign purchase, export (including wheat pursuant to the International Wheat Agreement), and storage facilities programs have been demanded at an increasing rate including such items as the following:

(a) Legal services were furnished during fiscal year 1952 in connection with 977,202 loans, purchase agreements entered into covering commodities with a price-support value of $48,500,000, and exchange contracts entered into calling for delivery of strategic and critical materials produced abroad with a value of over $40 million in exchange for grain.

(b) As of June 30, 1952, there were 3,733 claims, involving disputed issues of law and fact, by or against the Commodity Credit Corporation under consideration by this office or in litigation status. During fiscal year 1952, 681 new cases in litigation, some of which contain more than one claim, were referred to the Department of Justice—1,114 cases involving approximately $25 million referred to the Department of Justice were pending as of June 30, 1952.

c. *Examples of recent litigation.*—Illustrative of the novel and varied legal issues presented in such cases as those mentioned above are as follows:

United States v. *Burrus Mills, Inc.*, was brought to determine if the loss resulting from flood damage to grain in certain Kansas City warehouses is to be prorated among all of the receipt holders or whether such loss shall fall upon only the holders of the oldest warehouse receipts on the basis that such grain was "out of condition" within the meaning of Kansas statutes. This is a case of first instance and could make a difference of approximately $200,000 in the amount of ultimate loss sustained by the Commodity Credit Corporation through such flood damage.

United States v. *Guy W. Capps, Inc.* This is an action as third-party beneficiary, for $150,468 damages to the potato price-support program, against an importer who sold to a retail food-store chain Canadian seed potatoes despite a provision in the importer's purchase contract with Canadian exporter pursuant to United States-Canada executive agreement, which restricted the importer's sales of such potatoes to sale for seed purposes only. This is one of a number of such cases and is the test case to determine whether such an executive agreement affords effective protection to a domestic agricultural price-support program against imports of foreign commodities. The Government was successful in the Federal district court on issues involving the application of third-party beneficiary principle and the validity of such executive agreement. The Government, however, was unsuccessful in its contentions that it was the importer's contractual duty in selling such potatoes to affirmatively restrict them for use for seed only and that estimated program losses are damages directly resulting from the importer's breach of this duty. The trial court's judgment is being appealed by the Government to the United States Court of Appeals for the Fourth Circuit.

Suits by 26 rice millers have been instituted in the Court of Claims. During the period from September 24, 1946, through November 17, 1946, various millers delivered rice to Commodity Credit Corporation under contracts, which provided that the selling prices should be the ceiling prices when shipments were made. Ceiling prices on rice had been increased on September 24, 1946, and were again increased on November 18, 1946. The petitioners assert that they were compelled to enter into the contracts by War Food Order No. 10, the deliveries during the period constituted a "taking," and "just compensation" would be the ceiling prices as revised on November 18, 1946, so that they are entitled to the difference between such prices and the amounts paid under the contracts, on the basis of the ceiling prices established on September 24, 1946.

Grain shortage cases.—In this category are grouped all cases involving shortages of Commodity Credit Corporation grain stored in warehouses which were due to conversion and quantity and quality deficiencies. In the aggregate, this group of cases is the most important Commodity Credit Corporation litigation now being handled. As of October 1, 1952, over 85 such cases were pending which

had been referred by this Office to the Department of Justice. In 43 of these cases civil or criminal action had been instituted.

It is anticipated that additional cases of this nature will be referred by Commodity Credit Corporation to this Office for legal handling in the near future. Many of these cases involve complicated and lengthy proceedings in bankruptcy and receivership as well as criminal action against the warehousemen found to have willfully converted grain. The multiplicity of interested persons with conflicting interests will necessitate, in many of these cases, the bringing of several actions in different jurisdictions involving a large number of parties. Numerous legal issues have been presented in these matters, including, among others, questions as to the liability of the warehouseman and the proper measure of damages, the responsibility of the surety and insurance companies in such circumstances, the answerability of innocent purchasers for the grain converted, the proration with other depositors of any grain remaining on hand, and the right of Commodity Credit Corporation to priority in the general assets of the warehousemen in the event of insolvency.

(*d*) *Examples of recent appelate litigation.*—This Office is charged with the responsibility of preparing the briefs and submitting oral argument in litigation in the appellate courts in connection with Commodity Credit programs in such cases as the following examples:

In *Field Packing Company* v. *Commodity Credit Corporation*, the Department was successful in the United States Court of Appeals for the Sixth Circuit in contending that the statute of limitation in the Commodity Credit Corporation Charter Act is prospective only and not retroactive. In this case the Department recaptured money that had been paid to the Field Packing Co. during periods in which the company was in violation of the set aside order for Cheddar cheese. The identical question, decided in the Field Packing case, as to the construction of the statute of limitation in the Commodity Credit Corporation Charter Act is now before the Court of Appeals for the First Circuit in the case of *United States* v. *Lindsay, et al.*

In *St. Paul Mercury Indemnity Company* v. *United States*, in the United States Court of Appeals for the Tenth Circuit, the issues relate to the alleged liability of a surety on a public warehouseman's bond with respect to wheat owned by the Commodity Credit Corporation which was damaged in storage and part of it converted. Numerous issues are presented as to whether the surely is liable, and if so whether the surety is also liable for interest on the principal amount.

4. Production and Adjustment

Legal services rendered in connection with the Federal Crop Insurance Corporation, sugar quota and payment program, agricultural conservation program, naval stores conservation program, International Wheat Agreement, renegotiation of trade agreements, application of the General Agreement on Tariffs and Trade to the departmental programs involved such items as the following examples.

(*a*) Legal services in connection with farm marketing quota and acreage allotments in effect with respect to the 1952 crop of peanuts and five kinds of tobacco.

(*b*) Legal aspects of the development of marketing quota programs for the 1952 tobacco, cigar-filler tobacco (type 41), and Maryland-type tobacco—quotas were, however, disapproved in producer referenda.

(*c*) Litigation in connection with a large number of cotton-marketing quota cases referred to this office resulting from efforts of administrative officials to dispose of all remaining cases under the 1950 cotton-marketing quota program and cases involving violation of the peanut-marketing quota program.

(*d*) An increase in the drafting of regulations and contracts and handling of claims for indemnities under an expanded crop-insurance program. The number of county insurance programs offered increased from 801 in 1951 to 862 in 1952 with a slight increase in the number of policyholders.

(*e*) Legal services in connection with the collection of delinquent crop-insurance premiums.

(*f*) Drafting several proposed amendments to the Agricultural Adjustment Act of 1938, as amended, and the Soil Conservation and Domestic Allotment Act, as amended.

(*g*) *Recent appellate litigation.*—This office is charged with the responsibility of preparing the briefs and submitting oral argument in litigation in the appel-

late courts in connection with production and adjustment programs in such cases as the following example:

In *Lee* v. *Roseberry, et al.*, in the United States Court of Appeals for the Sixth Circuit, the issues relate to the validity of certain tobacco acreage allotments under the Agricultural Adjustment Act of 1938, and also whether the minimum acreage allotment provisions in that statute relative to burley tobacco are constitutional. The various issues in the case are of wide concern in the administration of the burley tobacco marketing quotas and acreage allotments under the statute.

5. Forestry and lands programs

Legal work performed in connection with the administration of the national forests; Forest Service cooperative programs; land acquisition programs; the submarginal land programs; flood-prevention surveys and reports and works of improvement; the planning and budgeting of flood-prevention programs; the program for emergency restoration of channel capacity in tributary stream channels and waterways; the supplemental report on the Missouri River Basin agricultural program; comprehensive improvement programs in the Columbia River Basin area, the Arkansas-White-Red River Basins, and the New England-New York area; legislative proposals for carrying into effect the recommendations contained in the report of the President's Water Resources Policy Commission; water conservation and utilization projects; and the soil conservation districts program involved such developments and activities as the following examples:

(*a*) An increased volume of legal work in connection with the application of the mining laws to national-forest lands withdrawn from the public domain.

(*b*) Legal assistance in the revision of the timber sale contract form used by the Forest Service. This represents the first complete revision undertaken in many years.

(*c*) Legal assistance in making final award of a contract of sale of timber in the Tongass National Forest, Alaska, to the Ketchikan Pulp Co. involving approximately 1,500,000,000 board-feet of timber to be cut within 50 years.

(*d*) Drafting or review of proposed legislation and legislative reports covering forest, range, and watershed research programs.

(*e*) Legal assistance in the preparation of grazing regulations promulgated by the Secretary under the authority of the act of June 4, 1897 (30 Stat. 35; 16 U. S. C. 551), and sections 12 and 18 of the Granger-Thye Act of April 24, 1950 (64 Stat. 85, 87; 16 U. S. C. 580h, k).

(*f*) Legal assistance in the prosecution of several similar suits, one of which involved an action to enjoin defendants from operating aircraft over a wilderness area in a national forest in violation of an Executive order which established an airspace reservation over the area.

6. General legal services division

Furnishing legal advice and assistance in connection with general departmental administration included such recent developments as follows:

(*a*) Questions requiring legal research and interpretation were presented because of administrative concern with certain aspects of the numerous authorities under which the Department operates including the following: (1) the application of the act of October 24, 1951 which increased the basic rates of compensation: (2) termination of World War II brought about by the Treaty with Japan required a study of legislation affecting the Department with provisions contingent in some way upon this event; and (3) the standard contract clause and questions as to the interpretation of the 4-year limitation on contracts as they relate to the Department's activities under the Research and Marketing Act.

(*b*) Legal work occasioned by new legislation, including the appropriation by Congress of funds necessary to proceed with the foot-and-mouth disease laboratory presented new problems in connection with the public hearings held to determine the laboratory location and in connection with contracting for the new laboratory buildings. The "Smokey Bear" law requires preparation of commercial licenses and the enforcement of the restrictions on the use of the symbol "Smokey Bear" in forest-fire prevention work.

(*c*) *Recent litigation.*—A major activity of the Division during the past year was a complete resurvey of all criminal matters of the Department involving personnel for the 3-year period prior to March 1952. All such cases had to be reexamined whether or not there had been a prior disposition. Many new cases were referred by bureaus for analysis and numerous conferences and consulta-

tions were had with the Justice Department. Assistance was given to the Department of Justice in presentation to grand juries and preparation for trial of several important cases in which indictments were returned or subsequent convictions or pleas of guilty were obtained.

Litigation under the tort claims law required considerable attention. In one important case, *Thompson* v. *United States* (U. S. D. C., E. D. of Washington, Civil Action No. 564, May 1952), the Government was held responsible for damage allegedly due to aerial spraying operations in combating forest insects. If this decision remains controlling it will have an important impact on the conduct of various aerial spraying activities, since fundamental changes may be required in the work because of the potential liability for damage.

7. *Marketing and regulatory laws* ——

There was a marked increase in the legal work performed during the fiscal year 1952 in connection with the many regulatory laws administered by the Department which has continued through the first quarter of fiscal year 1953, as indicated by the following examples:

(*a*) During fiscal year 1952, 52 hearings on new programs and amendments to existing marketing agreements and order programs were held, representing an increase of approximately 13 percent over the number of such hearings during the previous fiscal year. Six new orders were made effective, 4 terminated, and 2 consolidated, resulting in 75 active programs (45 milk and 27 in the fruit, vegetable, nuts, tobacco and hog cholera serum and virus field) at the close of the fiscal year. At the end of the year there were 6 new orders awaiting final action. Court actions involving these programs numbered 79, an increase of over 14 percent. Grade, size, and other regulations increased from 321 to 373. The number of orders, rules, opinions, memoranda, pleadings, briefs, letters and other documents increased from 4,269 to 5,391.

(*b*) During fiscal year 1952, the license fees under the Perishable Agricultural Commodities Act were increased and placed in a revolving fund to defray administrative expenses other than legal expenses. This action made available increased funds for investigations and processing of actions under the act which has resulted in increased legal work, in connection with disciplinary proceedings and other administrative proceedings under the program; 224 cases were instituted under this act during the fiscal year 1952 as compared with 170 during the previous year. There was an increase in the number of cases pending at the end of the year from 132 in 1951 to 154 in 1952.

(*c*) Administrative Proceedings under the Packers and Stockyards Act participated in by the Office increased substantially, 49 hearings being held representing an increase of 250 percent over the number of hearings during fiscal year 1951. At the same time, 65 cases were analyzed and transmitted for criminal prosecution representing an increase of 75 percent in the number of such cases.

(*d*) Recent trends in this field of legal work are illustrated by the following:

There is presently pending an administrative proceeding involving a comprehensive appraisal of the complicated marketing problem of the New York-New Jersey milk marketing area which to date has involved over 2 months of hearings with thousands of pages of records to be analyzed. During the latter part of fiscal year 1952, two cases were instituted challenging the validity of major provisions of the New York milk order. The Office is at present engaged in the comprehensive factual and legal preparation required because of the importance of the issues involved not only as they relate to the New York market but to this general field of Government regulation.

During fiscal year 1952, and the first quarter of 1953, milk marketing orders were made effective in numerous new and distant areas resulting in a substantial increase in the travel required of attorneys in handling administrative proceedings and litigations arising under such programs. The increase in the number of these programs has created problems of intermarket relationships resulting in more frequent administrative proceedings and amendments. The completion of an extended investigation and survey relating to cooperative payments under the New York milk order has resulted in 15 administrative proceedings regarding suspension of such payments.

The spread of vesicular exanthema throughout the United States, formerly having been substantially confined to the State of California, has resulted in the imposition of quarantines in various areas throughout the country to protect the swine population of the country. The original quarantines and the frequent amendments thereto have resulted in a substantial increase in the volume of

legal work during the latter part of the fiscal year 1952 and the first quarter of fiscal 1953.

The increase in the voluntary and mandatory use of official standards in the commerce of the country has resulted in the necessity of promulgating standards for new commodities and more frequent amendments to existing standards, with resultant increases in the legal work required. The increasing importance of the availability of inspection service in the conduct of business, and the importance of grade certification in price determination has resulted in an increase in the administrative proceedings in matters of denial of inspection service.

(*c*) *Recent appellate litigation.*—This Office is charged with the responsibility of preparing the briefs and submitting oral argument in litigation in the appellate courts in connection with marketing and regulatory laws in such cases as the following examples:

In *Brannan* v. *Stark* oral argument was presented before the Supreme Court involving the validity of the cooperative payment provisions in the Boston milk order, under the Agricultural Marketing Act of 1937. The Supreme Court upheld the decision of the United States Court of Appeals for the District of Columbia (181 F. 2d 871).

In *Weldon* v. *Interstate Commerce Commission*, this Office filed a brief amicus curiae on the question as to whether a "raw shelled peanut" is an agricultural commodity as distinguished from a manufactured product. This issue, however, was later abandoned by the appellant and the case was affirmed without opinion by the United States Court of Appeals for the Sixth Circuit.

In *Moore* v. *Brannan*, involving false reports and an attempt to manipulate the market price of lard in violation of the Commodity Exchange Act, and also the failure to file reports under the act, the United States Court of Appeals for the District of Columbia affirmed the findings of fact and ruling of the judicial officer and certiorari was denied by the United States Supreme Court. The case involved important questions of statutory interpretation, an issue under the due-process clause of the fifth amendment to the Constitution, and also the scope of judicial review under the Commodity Exchange Act. Under the ruling by the judicial officer the respondent's trading privileges on contract markets were suspended for a period of 90 days.

In the case of *Secretary of Agriculture of the United States* v. *United States of America and Interstate Commerce Commission et al.*, No. 36, in the Supreme Court of the United States, October term 1952, issues of far-reaching character are involved relative to the shipment of agricultural commodities by motortruck. The Secretary of Agriculture has the responsibility to intervene, under certain circumstances, in proceedings before the Interstate Commerce Commission relative to the regulation of the transportation of agricultural commodities, and under section 201 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C., sec. 1291) in any such case "the Secretary shall have the rights of a party before the Commission and the rights of a party to invoke and pursue original and appellate judicial proceeding involving the Commission's determination." The Commission's rules in this case restrict the right of motortruck carriers to acquire additional vehicles by trip lease, a normal and widespread practice in the industry. The prevailing practice is for agricultural haulers to trip lease their motortrucks so as to avoid the necessity of the trucks making the return trips empty. The Commission's restrictions against trip leasing will adversely affect the marketing of agricultural commodities, and the Secretary of Agriculture has appealed this case to the Supreme Court. The Attorney General is representing the Interstate Commerce Commission, and this Office has the responsibility of presenting the argument on behalf of the Secretary of Agriculture.

In *Great Western Food Distributors et al.* v. *Brannan*, in the United States Court of Appeals for the Seventh Circuit, the issues relate to an alleged corner of the egg futures market in violation of the Commodity Exchange Act, and also to an alleged unlawful manipulation of the price of egg futures contracts on the Chicago Mercantile Exchange. The numerous issues are of wide importance under the Commodity Exchange Act.

In *Brannan* v. *Kass*, No. 300, in the Supreme Court of the United States, October term 1952, the issues on this petition for certiorari relate to the validity of certain provisions in the New York milk order under the Agricultural Marketing Agreement Act of 1937. The question of authority to require certain exactions on nonpool milk is a question of wide applicability to the various milk orders throughout the country.

8. Rural electrification and telephone programs

Legal services performed in connection with the rural electrification and rural telephone programs relating generally to loans and security therefor and construction and operation of borrowers' systems have increased and become more complex. These services involved such items as the following examples of recent developments and litigation:

(*a*) The demand for rural telephone loans is continuing and has attained such volume that it has become necessary to postpone many legal services which are required prior to the construction and operation of the borrowers' systems. In attempting to keep pace with the REA in respect of the new loan, the concentration on the preparation of these documents has left a large number of legal details which must be completed prior to the advance of the funds to the borrowers. The preparation and execution of the numerous loan and security documents is merely the first step in the legal commitment of loan funds. Individual approval in respect of each loan by public-service commissions, involving one or more of the following: the granting of certificates of convenience and necessity, approval of the issuance of securities and obligations, rates, service, etc. is necessary in most jurisdictions. Requests for legal assistance in connection with the Commission proceedings have been fulfilled only in isolated cases of the utmost urgency. Perfection of the borrowers' corporate organizations, clearance of title defects, and the obtaining of proper franchises and rights-of-way, which are normally prerequisite to the advance of loan funds to the borrowers, also have been delayed.

(*b*) Numerous regulatory Commission proceedings and intricate acquisitions were involved in many of the loans. Though the dollar value of new rural electrification loans in fiscal year 1952 was less than the preceding year, there was increased legal activity in respect of loans and loan proposals involving complex problems, particularly those relating to: (*a*) generation and transmission loans, (*b*) involving pooling arrangements with other agencies, and (*c*) problems encountered in extending electric service into the thinner and pocketed areas. Moreover, the legal work relating to loan servicing work continued its increase as the cumulative total of loans since the inception of the program increased during fiscal year 1952 to more than $2.5 billion. The construction work in progress continued at a high level with the additional important workload imposed on this Office in connection with the interpretation of various regulations issued pursuant to the Defense Production Act with respect to credit, price and materials controls. The current price and materials situation also increased the legal workload sharply with respect to the drafting of special contractual provisions relating to price escalation, deliveries, and compliance with applicable regulations and controls, and with respect to negotiations with suppliers.

(*c*) *Recent litigation.*—In the protection of the Government's security interests and the furtherance of the objectives of both the rural-electrification and rural-telephone programs, assistance was rendered to borrowers in litigation both in courts and before regulatory bodies in a wide variety of matters. Worthy of special note, because of their complexity, program importance, and the extent of their demands upon personnel, the following examples of court and public-service commission cases affecting the Government's interests in the rural-electrification program played a significant part in the work of the Office during the year.

Still pending in the United States District Court for the District of Columbia is the suit filed by 10 midwestern power companies to enjoin further action by the Secretary of Agriculture, the Administrator of REA, and other Government officers, in connection with loans aggregating about $50 million for the construction of electric generation and transmission facilities involved in lease and power-interchange agreements between REA borrowers and Southwestern Power Administration. Basic questions as to the scope of the lending power under the Rural Electrification Act are involved in this litigation. Motions for summary judgment, preliminary injunction, delineation of issues for a limited separate trial, depositions and motions for production of documents, pretrial conferences, were among the developments in this litigation during fiscal year 1952. Separate trial of the issues is now in progress.

An application of East Kentucky Power Cooperative for certificates of convenience and necessity authorizing the borrowing by the cooperative of $12,265,000 from REA and the construction of a generating plant and transmission lines, which had been granted by the Kentucky Public Service Commission and affirmed by the Kentucky circuit court, will again be before the commission as a result

of a decision by the Kentucky court of appeals. The court of appeals affirmed the decision of the commission and the lower court with respect to the generating plant, but remanded the case to the commission for additional findings on the question of whether each transmission line proposed to be constructed by the cooperative would duplicate existing transmission facilities.

The Supreme Court of Arkansas, affirming the decision of a lower court, held that a rural-electric cooperative could not continue to serve its members in an area recently annexed by a city, the population of which was in excess of 2,500 persons.

Two Arkansas public-utility companies obtained from the Arkansas Public Service Commission a cease-and-desist order against the construction by N. W. Electric Power Cooperative, Inc., an REA borrower, of the Arkansas part of its transmission line extending from Bull Shoals Dam in Arkansas to its proposed steam generating plant in Missouri, without first obtaining from the Arkansas commission a certificate of convenience and necessity. The cooperative obtained a temporary injunction against the commission from the Federal district court on the ground that such commission action was an unconstitutional interference with interstate commerce. Thereafter, the commission dismissed the complaint of the public-utility companies.

Also in Arkansas, a circuit court enjoined Arkansas Electric Cooperative Corp. from taking any steps in furtherance of its plan to construct generating and transmission facilities pursuant to an REA loan in the amount of $10,558,000. The Arkansas Public Service Commission had previously granted a certificate of convenience and necessity to the cooperative covering the proposed construction. On appeal to the Supreme Court of Arkansas the injunction was modified to prohibit only the construction or letting of contracts for the construction of the proposed system. The circuit court then vacated the commission's order granting the certificate, and an appeal on the merits is now pending before the Arkansas Supreme Court.

The Supreme Court of Missouri, in a decision reversing the Springfield court of appeals, held that the Board of Public Works of Rolla, Mo., was not authorized to execute a wholesale-power contract with Sho-Me Power Corp., an REA borrower. It therefore held the contract under which Sho-Me had been serving the city invalid.

The New York Court of Appeals, reversing the decision of an intermediate appellate court, upheld the right of Delaware County Electric Cooperative, an REA borrower, to have its condemnation claim, in an amount in excess of $1 million, heard and determined by commissioners of appraisal.

Type and volume of legal work performed, July 1, 1951–June 30, 1952

	Agricultural credit		Commodity credit, production and adjustment program		Lands, forests, research and general legal service		Marketing and regulatory laws		Rural electrification and telephone program		Total	
	Hours	Work Units	Hours	Work Units	Hours	Work Units	Hours	Work Units	Hours	Work Units	Hours	Work Units
Administrative proceedings, including proceedings before Federal, State, and other regulatory bodies or commissions	6		545	32	522	12	44,925	401	1,350		47,348	445
Court proceedings:												
Civil actions	9,753	5,978	22,815	1,992	3,721	322	10,794	237	3,257		50,340	8,529
Criminal actions	1,005	988	4,527	440	898	81	3,992	162	4		10,426	1,671
Claims (prior to institution of court proceedings)	2,381	1,143	13,708	2,449	4,433	753	125	41			20,647	4,386
Opinions and legal memoranda prepared	11,482	6,819	5,831	1,808	6,981	1,799	1,973	246	4,548		30,815	10,672
Title documents prepared or approved	3,813	3,516	64	65	11,221	4,047					15,098	7,628
New loans	18,697	10,673	60	20	4	1			24,719	428	43,480	11,122
Servicing outstanding loans	24,978		3,221		29		5		24,248		52,481	
Legal work relating to proposed legislation	729		506		2,078		147		254		3,714	
All other legal work	27,888		26,484		38,451		11,336		9,863		114,022	
Total	100,732	29,117	77,761	6,806	68,338	7,015	73,297	1,087	68,243	428	388,371	44,453

Statement of obligations under allotments and other funds [1]

Item	Obligations, 1952	Estimated obligations, 1953	Estimated obligations, 1954
Agricultural Marketing Act, Agriculture (Office of the Solicitor): For legal services incident to research and marketing activities	$4,932	$5,000	$5,000
Disaster loans, etc., revolving fund, Department of Agriculture (Office of the Solicitor): For legal services in connection with disaster loans, fur loans, and the liquidation of the Regional Agricultural Credit Corporation assets	15,915	16,300	16,300
Working fund, Agriculture, Office of the Solicitor, advance from Bureau of Animal Industry: For legal services to assist in the program for the control of foot-and-mouth disease conducted cooperatively by the United States and the Republic of Mexico as may be mutually agreed upon	13,516	3,000	
Salaries and expenses, defense-production activities, Agriculture (Office of the Solicitor): For legal services in connection with defense production activities	40,926	35,000	
Obligations under reimbursements from governmental and other sources	14,190	1,400	1,400
Total, obligations under allotments and other funds	89,479	60,700	22,700

[1] Includes only those amounts which, by Nov. 30, 1952, were actually received or programed for 1953 or 1954. Since work for other agencies is performed on a service basis, at the request of those agencies and for their benefit, it is not practicable to estimate in advance the amounts to be received in most cases.

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Agricultural-credit programs	$739,086	$746,886	$718,500	−$28,386
2. Commodity-credit, production, and adjustment programs	503,650	597,181	538,500	−58,681
3. Lands, forestry, research, and general legal services	473,505	505,079	466,000	−39,079
4. Marketing and regulatory laws	408,943	459,643	445,000	−14,643
5. Rural electrification and telephone programs	451,735	541,211	450,000	−91,211
Total available or estimate	2,576,919	2,850,000	2,618,000	−232,000
Received by transfer from—				
"Flood prevention, Agriculture"	−18,426	−50,000	−18,000	−32,000
"Administrative expenses, Commodity Credit Corporation"	−206,469	−300,000	−300,000	
Subtotal	2,352,024	2,500,000	2,300,000	−200,000
Reduction pursuant to sec. 412	+3,976			
Total appropriation	2,356,000			

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $232,000 in this item below the original budget estimate is due to simplification of procedures, organizational realinement and curtailment of legal review in the various types of legal services, as indicated in the project statement above.

Mr. ANDERSEN. Mr. Loos, we will be glad to hear from you at this time.

Mr. WHITTEN. Mr. Chairman, could I interrupt at this point?

Mr. ANDERSEN. Yes, Mr. Whitten.

Mr. WHITTEN. I know Mr. Loos enjoys a splendid reputation at the bar and is a fine lawyer. It is a pleasure to have him appear in his new capacity before the committee.

Mr. ANDERSEN. I endorse that statement, Mr. Whitten. From what information I have about Mr. Loos, I believe he is going to be a credit to his position.

Mr. LAIRD. Mr. Chairman, I wish to confirm the statement made both by you and Mr. Whitten.

Mr. HORAN. I join in that statement.

GENERAL STATEMENT

Mr. LOOS. Thank you very much, gentlemen. I am overwhelmed. This is my first appearance before a committee of the Congress in my position in Government service. I have appeared before many committees of Congress on many occasions in the last 30 years, but never on behalf of the Government.

I assumed the duties of the Solicitor's Office on January 23, and I am sure I have not, by any means, learned all I should know about the Office, but I have tried to become familiar with it and I am continuing to try to gain more knowledge of its operations.

In reporting to you today, there may be some things that I should cover that are not covered, but I would like to mention a few things that have appealed to me as the most interesting, if not, perhaps the most important items that relate to the work of that Office.

Mr. ANDERSEN. Generally speaking, Mr. Loos, in your new capacity as Solicitor you are responsible for all of the legal work for all of the programs in the Department of Agriculture, is that correct?

Mr. LOOS. That is correct, Mr. Chairman.

Mr. ANDERSEN. Please continue Mr. Loos.

PERSONNEL REDUCTIONS

Mr. LOOS. Thank you. I was quite surprised, in looking at the statistics, to find that the personnel in the Solicitor's Office today is very much reduced, compared with what it was 10 years ago. Although I had worked very closely with some employees of the Solicitor's Office in the past and with some of the branches of the Department of Agriculture, I had no idea that there had been any such material reduction in the number in the Solicitor's Office, because I am sure there has been no corresponding reduction in the volume of work that it handles.

I would like to say that I am very favorably impressed with the character of the work that I have observed as performed by the numerous attorneys in the Solicitor's Office. The work involves, sometimes, very complicated and difficult questions of law, often mixed with complicated and difficult questions of fact. I have just been amazed at the general excellence of the work that comes over my desk for me to read and approve.

I might mention that in 1941, acording to the statistics which have been furnished me, there were 389 attorneys in the Solicitor's Office and at the present time there are 205.

Mr. ANDERSEN. It might be well if you would place that table in the record, Mr. Loos.

Mr. LOOS. I will be glad to do that, Mr. Chairman.

(The table referred to is as follows:)

Statement of employees engaged in legal work (average annual positions)

ACTIVITIES	Actual			Estimated		
	1941	1947	1948	1953	1954	
					Printed	Revised
Agricultural credit:						
Professional	160	94	66	59	63	54
Nonprofessional	249	105	80	71	69	65
Total	409	199	146	130	132	119
Commodity credit, production and adjustment programs:						
Professional	23	35	28	40	51	46
Nonprofessional	30	39	34	43	54	49
Total	53	74	62	83	105	95
Lands, forestry, and general legal services:						
Professional	86	43	38	38	42	37
Nonprofessional	261	48	46	45	47	43
Total	347	91	84	83	89	80
Marketing and regulatory laws:						
Professional	67	43	36	32	38	38
Nonprofessional	80	46	43	37	42	38
Total	147	89	79	69	80	76
Rural electrification and telephone programs:						
Professional	53	45	42	36	45	35
Nonprofessional	63	50	50	41	50	36
Total	116	95	92	77	95	71
Grand total:						
Professional	389	260	210	205	239	210
Nonprofessional	683	288	253	237	262	231
Total	1,072	548	463	442	501	441

Mr. Loos. The reduction in total personnel has even been larger in percentage, having been 1,072 in 1941 and 442 at the present time, and I am sure that in that time the volume of work—I doubt whether the volume of work has ever been as great as it is right now, but we have learned to do more work with less people.

REVIEW OF 1954 PRINTED BUDGET

In approaching this subject of the budget this year, as you know, we undertook a review of the budget that had been recommended as the 1954 budget, which is referred to, I think, as the printed budget, and in making that review, we started with the proposition, "Let us see what we have now and how much additional work we think we could do without any change in the number of attorneys in the various divisions."

STRUCTURE OF SOLICITOR'S OFFICE

I might say that the Solicitor's Office is presently divided into 10 divisions, divided into 5 groups. One is the Farm Credit and Farm Home Loan group, or what you might call the credit group; the Commodity Credit Corporation, Production and Adjustment, which involves all the work of the Commodity Credit Corporation,

the Federal Crop Insurance Corporation, the sugar program, and the matter of crop acreage allotments and things of that kind. Then we have a group composed of the Forestry and Lands and the General Legal Services.

Another group is the regulatory branch. All of the regulatory functions performed by the Office are in this group. One division deals with marketing orders and agreements, which accounts for a very large part of the work of the Office, and the other is the general regulatory work in connection with the packers, stockyards, commodity exchange, and matters of that nature. The other group relates to rural electrification and telephones.

In addition to that, we have an Associate Solicitor for Litigation, Mr. Brooks, who has handled many cases on appeal in the circuit court of appeals and some cases, by special designation from the Department of Justice, he has also argued in the Supreme Court of the United States.

REDUCTION IN 1954 PRINTED BUDGET

After considerable discussion, we came to the conclusion that in spite of considerable additional work, we would reduce our general budget by $200,000—that is, our overall budget, or I, perhaps, should say, under the recommended original 1954 budget. That, however, does involve increases with respect to two of the groups.

INCREASE IN COMMODITY CREDIT CORPORATION LEGAL WORK

The increase comes about, largely, because of an increase in the funds transferred from the Commodity Credit Corporation to cover the commodity credit work that we do as attorneys for that group. The proposal in the printed budget and the revised budget is that $300,000 be transferred from the Commodity Credit Corporation for that work. That compares with $206,469 which was transferred under the authorization in 1953.

Mr. ANDERSEN. That is an increase of about $93,000?

Mr. LOOS. Yes, sir. The reason for that is the tremendous increase in the workload that this office is doing for the Commodity Credit Corporation. It seems only just that the contribution of the client, Commodity Credit Corporation, should be correspondingly increased.

Mr. ANDERSEN. Mr. Loos, this really means you have a net increase in your allowance for this coming year?

Mr. LOOS. Yes; we have a net increase, compared with 1953.

Mr. ANDERSEN. That is because of this transfer?

Mr. LOOS. Yes, sir; but it is offset, in part, by the decrease in the regular appropriation. There is a decrease in the regular appropriation of the Commodity Credit Corporation and Production Adjustment group itself, aside from this $93,000, of some $58,000.

ACREAGE CONTROL AND ALLOTMENTS AND MARKETING QUOTAS

Mr. ANDERSEN. If you have acreage control and allotments and marketing quotas on wheat and cotton next year, what effect is that going to have on your work?

Mr. LOOS. That is going to increase the work for the Production Adjustment Division. That is where things like that are handled.

Mr. ANDERSEN. Will they get additional transfers for that work?

Mr. LOOS. I do not know that they would. I am not sure whether there is anything involved in that supplemental appropriation for Commodity Credit or not.

Mr. SHULMAN. No, sir; the Commodity Credit transfer does not cover that work. It only covers work involving programs of the Corporation.

Mr. ANDERSEN. Mr. Roberts, I think we have before us an increase of about $22 million in the appropriation for this allotment work on wheat and cotton.

Mr. ROBERTS. About $29 million for wheat and cotton.

Mr. ANDERSEN. But there is a $22 million increase?

Mr. ROBERTS. Yes; that is correct; the net increase is $22 million. That estimate came up, Mr. Chairman, after the proposed estimates for the Solicitor's office were formulated.

Mr. ANDERSEN. There will be, I presume, some work channeled through the Solicitor's Office because of that proposed acreage control and allotment program?

Mr. ROBERTS. I am sure there will be.

Mr. LOOS. The net result, and I suppose that is what we should be most interested in, is an increase of $34,850 proposed for the 1954 revised budget, compared with the 1953 budget in the commodity credit and adjustment program. That comes entirely from the $93,531 increase in the amount transferred. The difference is a decrease in the regular appropriation.

INCREASE IN MARKETING AND REGULATORY WORK

The other increase is with marketing and regulatory work which accounts for an increase of $36,057. The justification for that is the increase in the regulatory work that those two divisions are called upon to handle. That may be illustrated by just a few statistics. We have at this time 75 marketing orders in effect, under the Marketing Agreements Act of 1947. Of those the milk orders are 49 and fruit and vegetable orders, 26; and that is a substantial increase over the number that we had in previous years. In 1952 there were 70, in 1951 there were 70, and in 1950 there were 65. We find, however, with the increase in the number of orders, we also have increased complexity in their administration, particularly in the milk orders and the constant necessity for amendments, and these amendment hearings grow in size and in complexity and the requirement for an increased number of days of the attorneys to spend on them is something that has to be met.

In addition to that, we have a continual flow of cases in connection with the Packers and Stockyards Act and the Perishables Agricultural Commodities Act. We are not keeping up with the new cases that come in. We came pretty close last year in the Perishables Agriculture Act. We had a total of 204 cases disposed of, but there were 224 new cases filed. So, we lost a little ground there. It is in the hope that we can catch up on this work and keep up with our marketing order work that this increase has been requested. It will authorize four additional men for the Marketing Division of the Office.

LEGAL WORK FOR REA

Mr. ANDERSEN. There is no change, to speak of, in the REA and RTA?

Mr. LOOS. In REA there is no change to speak of, in comparison with the 1953 budget, but I think I should call your attention to the fact that the 1954 printed budget had proposed a rather substantial increase for the rural electrification work, in the amount of $89,000.

Mr. ANDERSEN. Why was that? I am interested in why an increase should have been requested at that time?

Mr. LOOS. Well, I am not prepared to say what was in the mind of those who prepared the budget, but I understand that there was anticipated some increase in the loan programs, particularly in the telephone program, which would call for more work on our part and an increase in the services that are rendered by this Office to the REA borrowers.

Mr. Blackburn, I think, has done a very outstanding piece of work in reorganizing his two divisions and getting them on a basis where he can handle that increased load, and he feels he can take care of the workload that will be upon him, with one exception. The only reduction in service involved in this revision of the budget is some reduction in the extent of the service that will be rendered by our office to the REA borrowers. There will be no curtailment of the work we do in handling the loans. We will perform the full banker service in connection with these loans, but we will have to cut down somewhat in the services of assisting the borrower.

Do I state that correctly, Mr. Blackburn?

Mr. BLACKBURN. Yes, sir.

Mr. MARSHALL. I am particularly interested in the observation about the rural-telephone allotment, because, as I understand it, every time that a loan is closed it is the responsibility of the Solicitor's office to issue closing instructions on that loan.

Mr. LOOS. I will have to ask Mr. Blackburn to answer that.

Mr. BLACKBURN. What we do there, Congressman Marshall, is that at the time a telephone loan is signed, the contract sets up certain prerequisites for the first advance of funds involved under the contract. The office of the Solicitor, of course, has the responsibility of examining the various documents which are submitted by the borrower in satisfaction of those prerequisites to the first advance. So, what you refer to as "closing the loan," means that our office, based on our examination of the proofs supplied by the borrower, gives the green light for the release of that money.

Mr. MARSHALL. How long does it take after these papers are submitted to the Solicitor's office before the Solicitor acts on them? How large a backlog do you presently have?

Mr. BLACKBURN. We have no backlog there. That is one place where we have no backlog, and would not expect to, because that is top priority work. In other words, if we ever got to a place where we would be carrying a backlog, the backlog would show up in a further reduction of services to the borrower rather than in processing new loans or clearing the type of document that you refer to.

Mr. ANDERSEN. Mr. Blackburn, as you know, this subcommittee had its proposal of $7,500,000 for additional rural telephone loans approved by the full Appropriations Committee today.

How long will it take for those loans to clear, once Congress has acted on the bill, and it has been signed by the President?

Mr. BLACKBURN. I would estimate, Mr. Chairman, that from the time we get what we call the loan docket, which is the recommendation by the REA staff to the Administrator, that the loan be made, and we started preparing the loan documents, the actual average time for legal processing of the loan would probably be around 2 weeks.

Mr. ANDERSEN. Some of these loan applications, I presume, are ready and waiting for final approval after additional funds are made available.

Mr. BLACKBURN. I understand that is true.

DECREASE IN AGRICULTURAL CREDIT LEGAL WORK

Mr. LOOS. On the agricultural credit programs, the revised budget is $20,000 below the 1953 budget. The activity in connection with farm-credit work is not particularly great. Most of the work in that group deals with the farm home loans and similar loans under that Administration, and a very large part of that work is done in the field or regional offices of the Solicitor.

The lands, forestry, and general legal services also contemplates a slight reduction, and I imagine there is no occasion for going into that in detail.

Mr. ANDERSEN. No; I do not think so, Mr. Loos.

ADMINISTRATIVE PERSONNEL

Will you place in the record a description of the duties of the 44 people in your Administrative Division?

Mr. BAWCOMBE. Yes, sir.

(The information requested follows:)

ADMINISTRATIVE DIVISION

The work related to the administrative and business functions of the Office of the Solicitor are performed by the following sections of the Administrative Division:

BUDGET SECTION

The major functions of this section are: (1) Budget formulation and (2) budget execution and reporting.

In connection with budget formulation, this Section develops and maintains a system of budgetary procedures; consults with operating personnel on the formulation of major plans and policies relating to the budgetary program and on the solution of budgetary problems; analyzes program plans of this Office as well as those of other agencies of the Department to determine financial needs of the various activities of the Office; prepares technical statements, schedules, justifications, and appropriation authorities for presentation of the Office's budget to the Department, the Bureau of the Budget, and congressional committees, furnishing all reports and special statements required in this connection.

Under the second function, budget execution and reporting, this section analyzes and prepares special and periodic reports on the status of the Office's funds and develops and maintains necessary controls; negotiates for reimbursements and working funds; recommends allotment of funds; and maintains control over special legal and administrative limitations.

The budget work in the Office of the Solicitor is centralized in the Washington office. The Deputy and Associate Solicitors as well as the chiefs of program divisions contribute information and material to help in the formulation of the budget; however, all of the material is assembled and processed through the

Budget Section for submission to the Department, Bureau of the Budget, and to the Congress.

The Budget Section maintains contact with the budget officers of the other agencies of the Department, and with Department officials in order to carry out the above functions.

FISCAL SECTION

All of the fiscal functions for the Office of the Solicitor are performed on a centralized basis by the Fiscal Section. This Section maintains an accounting system to provide fiscal control of all funds appropriated, allocated, or transformed to the Office, recording obligations and expenditures in general and allotment ledgers; maintains workload distribution ledger; collects reimbursements due; prepares and issues reports on financial transactions and conditions; prescribes procedures and systems to insure adequacy of fund control; issues and interprets instructions regarding fiscal operations for the Washington and field offices. This Section audits the Office's fiscal activities, examining and certifying vouchers and invoices for compliance with prescribed procedures, laws and regulations and determining that funds are economically and efficiently expended. This Section also prepares, examines and certifies payroll vouchers; prepares periodic reconciliations and reports for the General Accounting Office, Treasury Department, and Internal Revenue Bureau; and maintains individual pay, leave, retirement, saving bond, and tax records of all Washington and field employees.

GENERAL SERVICES SECTION

This Section procures, by contract when necessary, equipment, administrative supplies and nonpersonal services for the Office of the Solicitor in Washington and the field; manages and controls utilization of property, including disposal of surplus or unserviceable property; maintains property records; issues purchase orders and invitations to bids. This Section handles the reproduction and distribution services for the Office. Acquires by lease or other means, manages, controls, and assigns all space for the Office; conducts survey of facilities and plans and supervises moves. Operates central mail, messenger, and file services for the Washington office and confers with field offices with respect to mail and file work. Develops and installs systems for control and disposition of records in Washington and field and has responsibility for security of all official records as well as the safe-keeping of records containing classified security information.

PERSONNEL SECTION

The personnel section plans, advises and assists the officials of the Office of the Solicitor in the formulation and development of policies and programs of personnel administration in accordance with policies and practices of the Department and the Civil Service Commission for both Washington and field employees.

The major functions of the section are (1) employment, (2) classification, and (3) training and safety. In connection with employment, the section is responsible for recruitment, selection, placement and all types of personnel actions; arranges for physical examinations; maintains official personnel folders; maintains records; prepares special and periodic personnel reports; administers the performance rating program; and performs counseling functions in connection with leave and retirement matters. Under the classification function the section carries on a continuing review of all positions in the Office to determine that they are properly described and are allocated to the proper grades under the Classification Act. As for training and safety the section plans and assists in the orientation of new employees, training in supervisory methods, office skills, employee relations problems, and safety; distributes information materials or guides, and reports accidents.

GENERAL

During the past several years the functions of the Administrative Division have been subjected to a continuous review to discover means by which costs might be reduced through better utilization of available staff and facilities without eliminating essential functions. The positions in the revised budget for the above functions in fiscal year 1954 are approximately 43 percent below the number occupied in fiscal year 1947. During the period in which this gradual

reduction in personnel has been effected, additional functions have been absorbed within the Division. A records management program has been initiated, controls increased in connection with apportionments, and tax withholding for the Federal Insurance Contributions Act and State income tax instituted. The following table reflects the reductions in number of positions by functions since 1947.

	Average positions		
	Fiscal year 1947	Estimated, 1954	
		Printed	Revised
Office of Division head	3	3	3
Budget section	1	1	
Fiscal section	11	8	8
General Services section	38	27	21
Personnel section	8	3	3
Total	61	42	35
All employees, Office of the Solicitor	548	501	441

The position of budget officer was recently vacated. It is not planned to fill this position in 1954. The budget functions enumerated above will be performed by personnel now assigned to the office of the Division head and the fiscal section.

FIELD PERSONNEL AND ACTIVITIES

Mr. ANDERSEN. Please place in the record a description of your field work and assignment of field personnel.

Mr. LOOS. Yes, sir.

(The information requested follows:)

FIELD ORGANIZATION

The legal work of the Department in the field is performed by 10 regional and 8 side offices. The regional attorney in charge of each of the regional offices is responsible for performing, under the direction of the Solicitor, all legal work in connection with the program activities of the Department carried on in the area served by the particular regional office. This responsibility extends to the legal work performed in the appropriate side offices.

The work of the field offices corresponds with that of the program agencies and is dependent almost entirely upon the extent of decentralization of the functions of these agencies. The field offices of the Solicitor are concerned primarily with the work of the Farmers' Home Administration, Commodity Credit Corporation, Forest Service, and Soil Conservation Service. Typically, the work may involve the approval, legal servicing, and collection of loans; rendering of opinions of title; handling of varied types of claims by and against the Government, including participation in the preparation for trial and trial of cases upon request of the United States attorneys; supplementing national instructions of the program agencies to conform with State statutes; and legal advice and assistance to officials of the program agencies on problems of both a general and a specific nature.

Planned distribution of personnel to field offices, fiscal year 1954, revised estimates (average annual positions)

Office	Attorneys	Abstractors	Stenographers and clerks	Total
Atlanta, Ga., regional office	9		9	18
Raleigh, N. C., side office	2		2	4
Chicago, Ill., regional office	7		11	18
Milwaukee, Wis., side office	4	3	5	12
Dallas, Tex., regional office	7		10	17
Denver, Colo., regional office	8		8	16
Albuquerque, N. Mex., side office	1		1	2
Missoula, Mont., side office	1		1	2
Ogden, Utah side office	1		1	2
Lincoln, Nebr., regional office	7		8	15
St. Paul, Minn., side office	3		3	6
Little Rock, Ark., regional office	8		11	19
Philadelphia, Pa., regional office	6	1	9	16
Portland, Oreg., regional office	4		5	9
San Francisco, Calif., regional office	4		5	9
Los Angeles, Calif., side office	1		1	2
Honolulu, T. H., side office	[1] 1		[1] 1	2
San Juan, P. R., regional office	2		3	5
Total	76	4	94	174

[1] Less than 1 annual average position.

UPGRADING OF POSITIONS

Mr. ANDERSEN. The personnel tables indicate, Mr. Loos, some upgrading in 1953, as follows: In grade 13, you have one additional position; in grade 12, you have one less. In grade 11, you have 9 more and in grade 9 you have 13 less. In the field you have 1 additional position in grade 13 and 10 additional in grade 11; and grade 9 is decreased by 12.

This subcommittee has, through the years, watched very carefully on that point, because many of our bureaus have become topheavy in recent years, with too few people to do the spade work.

Mr. LOOS. I am not sure, Mr. Chairman, about that. These grades are new terms to me.

I think the reason for that is that we have not been hiring many new people. We have been under pretty much of a freeze for a good many months, as I understand it. Whether it is self-imposed, or whether it is one that is imposed upon us, I do not know, but very few people have been hired.

In hiring attorneys, it has been the policy of the Office, and I think it is a good policy, to hire young men just out of law school, or out of law school with a few years' experience. Of course, they come in at one of the lower grades, and unless you promote those men with some regularity, or unless you have some program for promotion, you will lose them.

Mr. ANDERSEN. I realize that.

Mr. LOOS. And, it is due to the fact that these younger men have been promoted up the line, but we have not been hiring new ones to replace them. Now, I do not believe after we get past grade 11 there has been much change.

Mr. ANDERSEN. I might say that there does not appear to be as much upgrading in your office as in some other bureaus.

Mr. LOOS. There have been no promotions made since I became Solicitor, and I understand that all promotions have been held up for

several months before that, but I must say it is my plan to make some of these promotions, because I feel that, particularly, some of the younger men are deserving and we must keep them feeling that there is an opportunity for them, or we will lose them.

Mr. ANDERSON. I think that is in line with good business practice.

Mr. HUNTER. What is the average gross that is paid an attorney in your office?

Mr. BAWCOMBE. We do not have the average attorney's salary, but we have them distributed by grades, Mr. Hunter. We can give you this information if you like.

Mr. ANDERSEN. The committee print shows on page 193 that the average salary is $5,345.

Mr. BAWCOMBE. That includes the non-professional positions, Mr. Chairman, as well.

Mr. ANDERSEN. That is correct. That is not just the attorneys. It covers the entire Solicitor's office.

I might say that compared to other bureaus and organizations, it is not too high.

Mr. LOOS. And compared with what an attorney in city practice, at least, can normally count on earning, the pay is on a pretty low level, I think.

Mr. ANDERSEN. In all of this you must keep in mind, of course, the kind of work you perform. A man must have quite a bit of education to be a good attorney and you cannot expect to get them or keep them for nothing.

Mr. LOOS. The work we do does require a well-qualified man.

Mr. ANDERSEN. That is correct.

Mr. LOOS. It cannot be done just by anyone.

LEGAL AUTHORITY

Mr. ANDERSEN. Please place in the record at this point your basic legal authority and bring out for the record whether it is mandatory or permissive.

Mr. LOOS. All right, we will be glad to do that.

(The information requested follows:)

The legal activities of the Department of Agriculture, which are the responsibility of the Office of the Solicitor, are performed under the following statutory authorizations:

(1) The act of May 1862 (5 U. S. C. 511) which provides for the establishment of a Department of Agriculture;

(2) The act of February 9, 1889 (5 U. S. C. 512) which provides that the Department of Agriculture shall be an executive department under the supervision and control of a Secretary of Agriculture and that all laws or parts of laws relating to the Department of Agriculture in existence on February 9, 1889, and not in conflict with the provision of this act shall continue in full force and effect;

(3) The act of May 26, 1910 (5 U. S. C. 518) provides that the legal work of the Department of Agriculture shall be performed under the supervision and direction of the Solicitor; and

(4) Other authorizing legislation under which the programs of this Department are conducted and for which the Solicitor's Office performs the legal services incident thereto.

In view of these statutory authorizations the appropriations for the Office of the Solicitor necessary to provide the legal services incident to the programs of the Department of Agriculture are considered to be mandatory and not permissive.

CHANGE IN LANGUAGE

Mr. Loos. I understand earlier in the hearings on the Agriculture appropriations bill, Mr. Horan requested that I comment upon the following change in the item "Control of forest pests." The proposed changes in the language of this item follow (new language in italics; deleted matter enclosed in black brackets):

For carrying out the provisions of the Act approved June 25, 1947 (16 U. S. C., Supp. [I] *V*, 594–1–594–5), $3,350,000, of which [$500,000] *$2,920,000* shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said Act only to the extent that the Secretary, with the approval of the Bureau of the Budget finds necessary [to meet emergency conditions] *under the then existing conditions.*

As I understand it, this item is authorized by the provisions of the Forest Pest Control Act. For 1953 there was appropriated for this item $3,350,000, of which $500,000 was to be held in reserve to be used only for the purposes of the act to the extent that the Secretary, with the approval of the Bureau of the Budget, might find necessary to meet emergency conditions. This form of contingency reserve has also been used for the items for emergency outbreak of crop pests and for fighting forest fires. The item in the printed budget for 1954 is to the same effect. The proposal now before the committee, which I understand has been approved by the Budget Bureau calls for the placing of the control funds in the contingency reserve leaving only the sum for detection and appraisal surveys outside the reserve. The purpose of this is to meet the difficulty of anticipating which outbreaks will occur and how much will be needed for each outbreak. The overall appropriation remains the same.

In my opinion, there is no legal difference between this item for 1953 and the proposal now made for 1954. In each case there is an immediate appropriation and a contingency reserve. An important practical difference occurs, of course, in that under the 1954 item the bulk of the sum would be held in reserve until after current survey information is available demonstrating the size and type of program needed. The Secretary will remain generally in control of and responsible for the program; in a sense, his control is heightened.

There will also be the safeguard that, in approving an allocation from the reserve to a particular outbreak, the Bureau of the Budget will have opportunity to determine that the allocation is consistent with current requirements. I understand, from the record, that those in charge of administering the program have given assurance that the interested committees of Congress would be kept informed and given an opportunity to advise concerning the proposed allocations from the reserve.

In brief, therefore, I believe this proposal is supported by law and will tend to increase rather than decrease the Secretary's general control and responsibility for the progam.

Mr. ANDERSEN. If there are no further questions, that will be all, Mr. Loos. Thank you, gentlemen.

OFFICE OF THE SECRETARY

FRIDAY, APRIL 17, 1953.

WITNESSES

RICHARD D. APLIN, DIRECTOR, DEPARTMENTAL ADMINISTRATION
T. ROY REID, DIRECTOR OF PERSONNEL, DEPARTMENT OF AGRICULTURE
ARTHUR B. THATCHER, DIRECTOR, OFFICE OF PLANT AND OPERATIONS
GLEN J. GIFFORD, CHIEF, OFFICE OF HEARING EXAMINERS
HUGH W. BERGER, CHIEF, ADMINISTRATIVE SERVICES DIVISION, OFFICE OF PLANT AND OPERATIONS
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY, SALARIES AND EXPENSES

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$2,175,000	$2,227,133	$2,273,000
Reimbursements from non-Federal sources	982	1,000	
Reimbursements from other accounts:			
"Administrative expenses, Commodity Credit Corporation"	83,447	83,980	84,280
"Flood prevention, Agriculture"	24,593	24,850	35,000
Other	48,032	11,481	1,481
Total available for obligation	2,332,054	2,348,444	2,393,761
Unobligated balance, estimated savings	−17,933		
Obligations incurred	2,314,121	2,348,444	2,393,761

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property 40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. General administration	$484,268	$485,805	$526,672
2. Personnel administration and service	507,865	513,024	513,024
3. Budgetary and financial administration and service	653,177	711,714	711,714
4. General operations	444,673	449,348	449,348
5. Office of Hearing Examiners	67,084	67,242	72,242
6. Obligations under reimbursements from non-Federal sources	982	1,000	
Total direct obligations	2,158,049	2,228,133	2,273,000
Obligations Payable Out of Reimbursements From Other Accounts			
1. General administration	49,286	34,848	45,298
2. Personnel administration and service	52,919	34,090	24,090
3. Budgetary and financial administration and service	31,046	28,498	28,498
4. General operations	22,821	22,875	22,875
Total obligations payable out of reimbursements from other accounts	156,072	120,311	120,761
Obligations incurred	2,314,121	2,348,444	2,393,761

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	382	367	374
Full-time equivalent of all other positions	1	1	1
Average number of all employees	353	363	366
Average salaries and grades:			
General schedule grades:			
Average salary	$6,002	$5,929	$5,968
Average grade	GS-8.6	GS-8.5	GS-8.5
Crafts, protective, and custodial grades:			
Average salary	$2,941	$2,952	$2,982
Average grade	CPC-3.3	CPC-3.3	CPC-3.3
Personal service obligations:			
Permanent positions	$2,073,528	$2,131,635	$2,173,855
Part-time and temporary positions	3,954	1,635	1,000
Regular pay in excess of 52-week base	7,852	8,108	8,198
Payment above basic rates	2,702	2,480	2,480
Payments to other agencies for reimbursable details	4,122		
Total personal service obligations	2,092,158	2,143,858	2,185,533
Direct Obligations			
01 Personal services	1,945,151	2,029,292	2,070,667
02 Travel	90,706	84,607	86,674
03 Transportation of things	7,197	6,630	6,630
04 Communication services	23,050	23,051	23,051
05 Rents and utility services	478	900	900
06 Printing and reproduction	60,153	55,000	55,250
07 Other contractual services	2,503	2,115	2,115
Services performed by other agencies	8,595	7,827	7,827
08 Supplies and materials	11,420	12,972	12,972
09 Equipment	7,777	5,204	6,379
15 Taxes and assessments	1,019	535	535
Total direct obligations	2,158,049	2,228,133	2,273,000
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	147,007	114,566	114,866
02 Travel	7,106	4,050	4,500
04 Communication services	230	230	230
06 Printing and reproduction	300	300	300
08 Supplies and materials	1,429	1,165	865
Total obligations payable out of reimbursements from other accounts	156,072	120,311	120,761
Obligations incurred	2,314,121	2,348,444	2,393,761

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$157,783	$156,804	$149,937
Obligations incurred during the year	2,314,121	2,348,444	2,393,761
	2,471,904	2,505,248	2,543,698
Deduct:			
Reimbursable obligations	157,054	121,311	120,761
Adjustment in obligations of prior years	3,768		
Unliquidated obligations, end of year	156,804	149,937	160,937
Total expenditures	2,154,278	2,234,000	2,262,000
Expenditures are distributed as follows:			
Out of current authorizations	2,000,263	2,080,000	2,105,000
Out of prior authorizations	154,015	154,000	157,000

JUSTIFICATION OF THE ESTIMATES

Mr. ANDERSEN. Gentlemen, the committee will come to order. We have before us Mr. Richard D. Aplin, Director of Departmental Administration, who will testify relative to the Office of the Secretary. We will insert in the record at this point pages 387 through 390 and 393 through 408 of the justifications, and a statement comparing the revised estimates with the original budget estimate.

(The pages referred to are as follows:)

PURPOSE STATEMENT

The Department of Agriculture was established as an executive department by the act of May 15, 1862. The Secretary of Agriculture, assisted by the Under Secretary, the Assistant Secretary, and members of their immediate staff, directs the work of the Department, formulates and develops policy, integrates the several programs of the Department, maintains departmental relationships with agricultural organizations and others in the development of farm programs, coordinates Department programs in the several river basins, renders administrative decisions in regulatory proceedings pertinent to Department programs, and maintains close liaison with Members of Congress on all matters pertaining to legislation and policy in order to ensure effective performance of the agricultural programs.

The following offices assist the Secretary and his immediate staff in the discharge of specific departmental functions:

The Office of Personnel was established by order of the Secretary on June 1, 1934. It serves as a staff agency of the Secretary having responsibility for the personnel management program of the Department. This program includes classification, job evaluation, salary and wage administration, hours of duty, recruitment, placement, retirement, separations, leave, employee relations, training, safety, organization, incentive and awards programs, investigations, and health. The Office has responsibility for the development of personnel policy for the Department, and for executing and interpreting the intent and policies expressed in over 200 laws, various Executive orders, and the rules, regulations, policies, and decisions of the several agencies of the Government in the field of personnel management. In carrying out these responsibilities, the Office delegates substantial authority to agencies within the Department for the operational phases of the appointment, classification, and disciplinary activities. Policy and basic procedures developed by the Office are carried out through agency personnel offices. In addition to the continuous day-to-day contacts on specific problems, the office conducts a systematic and periodic review to insure unification of the personnel management program and to measure its effectiveness and how well it serves the agencies' personnel management requirements.

The Office of Budget and Finance was established by order of the Secretary on June 1, 1934. It serves as a staff agency of the Secretary in carrying out departmental functions relating to overall administration of the budgetary, procurement, and fiscal affairs of the Department. It has responsibility for providing leadership and coordination of these activities throughout the Department, including the acquisition and distribution of funds; accounting; auditing; budgetary and financial reporting; organization and management of budget, fiscal, and procurement activities; purchasing, warehousing, utilization, and disposal of administrative and operating supplies and equipment; and related activities. It coordinates, in the field, the activities of area agricultural equipment committees to insure maximum effective utilization of administrative supplies and equipment owned and procured by the Department.

The Office also has responsibility for formulating and promulgating departmental policies and procedures relating to the above functions, including the review and evaluation of program and legislative proposals for budgetary, financial, and related implications, and, in cooperation with staff and program agencies, for obtaining improvements in the management and operation of work programs administered by the Department. The Office acts as Department liaison on all such matters with the Bureau of the Budget, General Services Administration, General Accounting Office, Treasury Department, and others. It also provides liaison with congressional Committees on Appropriations and with the House Committee on Agriculture.

The Office of Plant and Operations was established by secretarial order March 1, 1939. It exercises general direction of the housing of the Department's activities, including technical services incident to the design and approval of construction projects related thereto, contractual authority as it pertains to the leasing of commercial space and all matters concerned with the disposition of surplus real property; exercises general responsibility for the planning and development of the records management programs of the Department; provides certain technical and engineering advisory services pertaining to the acquisition, utilization, and maintenance of automotive, heavy, sicentific, and photographic and other reproduction equipment; exercises general coordination of automotive-repair shop, equipment depot, and cartographic, photogrammetric and photographic laboratory activities in order to derive the most effective use of these facilities, and plans or reviews proposals for the establishment of such departmental facilities; and technical operations in connection with mapping projects, including approval of aerial photographic survey projects, and all planimetric, topographic, cadastral, and mosaic mapping projects in excess of 60 square miles. The Office serves as Department liaison with other Government agencies on matters pertaining to its functions.

The Office performs administrative service functions for the Office of the Secretary and also operates certain departmental services in the District of Columbia, including telephone, telegraph, photographic, duplicating, addressing and mailing, central storage and distribution of supplies and forms, motor transport service and the departmental post office.

The Office of Hearing Examiners was established by the Secretary December 9, 1946, to carry out the provisions of the Administrative Procedure Act relating to the holding of hearings (5 U. S. C. 1006, 1010). Hearings are held in connection with prescribing of new regulations and orders, and on disciplinary complaints filed by the Department, or on petitions filed by private parties asking relief from some action of the Department.

In general, the examiners make reports, recommend decisions, and perform such related duties as are required by the Administrative Procedure Act, and statutory provisions, regulations, and rules of practice applicable to their work.

On November 30, 1952, employment in the staff offices comprising the Office of the Secretary consisted of 529 employees, 511 of whom were in Washington and 18 in the field.

Direct appropriation

Appropriated, 1953	$2,227,133
Revised budget estimate, 1954	2,188,000

Salaries and expenses

Appropriation act, 1953	$2,230,000
Reduction pursuant to sec. 412	−2,867
Transfers from other appropriations (shown in detail in project statement below)	108,830
Base for 1954	2,335,963
Revised budget estimate, 1954:	
Direct appropriation	2,188,000
Transfers, 1954, from other appropriations (shown in detail in project statement below)	101,280
Total available, 1954	2,289,280
Decrease	−46,683

Summary of increases and decreases, 1954

Decrease in personnel administration and service	−$13,024
Decrease in budgetary and financial administration and service	−15,109
Decrease in general operations	−17,000
For increased salary costs due to the reclassification of the hearing examiners, and for increased travel costs	+6,000
Decrease in transfer from "Flood prevention" appropriation	−7,850
Adjustment in transfer from "Administrative expenses, Commodity Credit Corporation"	+300

Project statement

Project	1952	1953 (estimated)	Increase or decrease	1954 revised (estimated)
1. General administration	$518,976	$520,653	−$7,550	$513,103
2. Personnel administration and service	530,233	535,633	−13,024	522,609
3. Budgetary and financial administration and service	681,320	740,212	−15,109	725,103
4. General operations	467,494	472,223	−17,000	455,223
5. Office of Hearing Examiners	67,084	67,242	+6,000	73,242
Unobligated balance	17,933			
Total available	2,283,040	2,335,963	−46,683	2,289,280
Transfereed from:				
"Administrative expenses, Commodity Credit Corporation"	−83,447	−83,980	−300	−84,280
"Flood prevention, Agriculture"	−24,593	−24,850	+7,850	−17,000
Subtotal	2,175,000	2,227,133	−39,133	2,188,000
Reduction pursuant to sec. 412		+2,867		
Total appropriation or estimate	2,175,000	2,230,000		

Work Under This Appropriation

This appropriation provides for the salaries and general expenses of the immediate Office of the Secretary of Agriculture, which includes the Secretary, the Under Secretary, the Assistant Secretary, and members of their immediate staff, as well as for the departmental Offices of Personnel, Budget and Finance, Plant and Operations, and Hearing Examiners. Following are brief summaries of the work currently performed under each of these activities:

(1) General administration

The immediate Office of the Secretary has a broad, general responsibility for Federal agricultural policy determination, leadership, and program accomplishment.

Review and coordination of agency programs.—The Secretary's Office, in providing direction to the regular, continuing operations of the Department, reviews and coordinates the programs of the Department agencies in research, credit, use, and protection of natural agricultural resources, education and information on technology of production and marketing, price-support operations, crop insurance, disease and insect eradication, and numerous service and regulatory functions ranging from protection of human, plant, and animal health to regulation of commodity exchanges.

Planning adjustments in Department programs.—In ordinary times it is often necessary to make prompt adjustments in Department programs because of fluctuations in agricultural production. Emergency conditions require changes to strengthen the Nation's argiculture to meet defense needs. The importance of these matters requires secretarial participation in overall planning, coordination, and direction. Proper correlation with other agencies, such as the Office of Defense Mobilization and other defense establishments, as well as liaison with farm organizations and agricultural industries, including manufacturers of farm equipment and fertilizer, processors, and other groups dealing with agriculture, impose added responsibilities on the Secretary and his staff.

River-basin development programs.—The Office of the Secretary is responsible for the development of criteria and policy for and coordination of comprehensive agricultural-resources programs. National emphasis on resource development and conservation programs has particularly focused attention on the Department's responsibility for formulating plans for comprehensive multipurpose, agricultural-land and water-use and conservation programs in major river basins. This involves the coordination of planning and programing within the Department and coordination with other Deprtments, State agencies, and private interests whose participation is necessary for proper integration of the many parts of overall basin developments.

Participation in international activities.—The Department participates in reciprocal-trade-agreements work, and represents American agricultural interests

in all international arrangements affecting trade. It administers the responsibilities of the United States under the International Wheat Agreement, represents the United States Government on committees and with groups dealing with other commodities and commodity agreements, and furnishes the primary liaison with FAO. The Department is participating in the administration of agricultural programs under point 4 in some 30 countries.

Review and improvement of organization and procedures.—For the past several years the Secretary's Office has furnished active leadership for a comprehensive program of management improvement. Continuing emphasis is being given to simplification of procedures, economies of operation, and the most efficient assignment of functions at all levels of organization.

(2) PERSONNEL ADMINISTRATION AND SERVICE

Current functions and responsibilities.—The Office of Personnel, under the supervision of the Director of Personnel, is the staff office of the Secretary responsible for general direction, coordination, and administration of the Department's personnel-management program. The work of the Office is performed through six functional divisions. Each division is responsible to the Director for the efficient carrying out of the functions and responsibilities in its particular field of work. Specific responsibility for the safety functions and activities are retained in the Office of the Director.

Personnel policies and procedures are designed to aid program officials in making the most effective use of all employees in the field. This involves carrying out the expressed policies of Congress, the President, Budget Bureau, Civil Service Commission, Bureau of Employees' Compensation, and other Federal agencies; delegations of authority to agencies to enable completion of personnel actions with a minimum of review and maximum economy in operations, issuance of written instructions to agencies concerning regulatory and administrative policies and procedures; and the development and administration of standards and uniform practices for all phases of personnel management.

1. Classification, salary administration, and classification specifications

(*a*) Supervises allocation of all positions in the Department; develops policies and plans for the compensation of employees occupying positions exempted from provisions of the Classification Act of 1949, as amended.

(*b*) Develops policies with respect to hours of duty for employees.

(*c*) Interprets appropriate laws, Civil Service Commission rules, and Comptroller General decisions, and develops policies and regulations on compensation, including within-grade increases, for the guidance of agencies of the Department.

(*d*) Develops classification specifications for positions peculiar to the Department, and cooperates with the Civil Service Commission in drafting specifications for positions on a servicewide basis.

2. Employee performance and development

(*a*) Develops policies and standards as guides for agencies of the Department for training, performance ratings, safety, employee grievances, and rating appeals.

(*b*) Advises and cooperates with agencies in carrying out these functions throughout the Department.

3. Employment, recruitment, placement, examination, separation, and retirement

(*a*) Develops and administers overall recruitment and placement activities such as executive development agreements, training agreements, junior-agricultural-assistant examining program, probationary training programs, contacts with land-grant colleges and other educational institutions, and other career programs.

(*b*) Administration of Civil Service Commission examining program, including development of qualification and examination standards.

(*c*) Administers the employment phases of the personnel management program, including transfer, promotion, separation, leave, and retirement.

(*d*) Coordinates the compilation of departmental personnel statistics.

4. Organization and personnel management

(*a*) Develops improved personnel procedures and organization patterns, reviews organization changes and maintains current organizational record of the Department; surveys and investigates Department's organization to improve

structure, lines of authority and responsibility, flow of work and workload distribution to promote more effective use of personnel.

(*b*) Directs the review and appraisal of agency personnel program activities, develops standards of personnel office performance and maintains control records on delegated authorities.

(*c*) Participates in the development and execution of operating plans for the Department's management program and develops materials to encourage and maintain employee interest in management improvements. Arranges for the investigation of employee suggestions which require action at the departmental or higher level.

(*d*) Administers the Department's incentive-awards program—honor awards, efficiency awards, cash awards, and step increases for superior accomplishment.

(*e*) Initiates the preparation of policy, regulatory and administrative personnel instructions.

(*f*) Studies and prepares departmental reports on pending legislation having personnel implications.

5. Investigations

(*a*) Investigates alleged violations of law applicable to the Department or violations of Department regulations.

(*b*) Investigates alleged mismanagement and misconduct of personnel within the Department and its instrumentalities.

(*c*) Establishes standards to be followed by agencies of the Department in conducting disciplinary investigations and in determining the action to be taken as a result thereof.

(*d*) Makes necessary investigations in security clearance cases, including requests for special passports, attendance at international conferences, access to classified material and membership on interdepartmental committees dealing with matters important to the national security.

(*e*) Prepares cases and files for consideration and adjudication by the Department Loyalty Board, prepares forms, reports and loyalty files for submission to the Loyalty Review Board, Civil Service Commission. Maintains control and custody of files and prepares monthly reports for submission to the Loyalty Review Board.

6. Employee health

(*a*) Supervises the health-service facilities of the Department.

(*b*) Provides treatment of on-the-job illnesses requiring emergency attention.

(*c*) Assists in the conduct of employee-health education.

(*d*) Advises with employees on health matters and instructs employees injured in line of duty regarding compensation rights, report requirements and procedures.

(*e*) Conducts health examinations as necessary.

Examples of recent developments and activities.—The following laws are especially significant in their personnel phases and involved adjustments in personnel policies and procedures to meet new requirements:

1. *Public Law 375, 82d Congress.*—Applies pay increases of Public Law 201, dated October 24, 1951, to positions whose salaries are fixed by law at rate under highest rate of Classification Act of 1949; amends Public Law 253, dated November 1, 1951, by permitting a limited number of permanent promotions, authorizes the Civil Service Commission to permit promotions in cases of meritorious nature.

2. *Public Law 455, 82d Congress.*—Provides that leave earned during one calendar year must be used before July 1 of the succeeding calendar year.

3. *Public Law 536, 82d Congress.*—Extends Veterans' Preference Act of 1944 to persons serving in the Armed Forces after World War II and before July 2, 1955.

4. *Public Law 451, 82d Congress.*—Limits Department, with certain exceptions, to filling only 25 percent of vacancies until number of personnel have been reduced to 90 percent below number in budget.

The following examples represent some of the significant activities with which the Office has been concerned during the past fiscal year:

1. The Office conducted a review and evaluation of all agency personnel offices in the Washington metropolitan area and 31 field offices exercising delegated authority. These reviews have resulted in better relationships because of a mutual understanding and appreciation of each others' problems and objectives,

which is essential to the unification of the Department's personnel program under a policy of delegated authority.

2. The fifth biennial personnel-management meeting of key program and personnel workers was held during fiscal year 1952. This meeting was held to focus the attention of supervisors and administrators, as well as personnel workers on problems of basic interest and importance in the improvement of personnel management in the Department. Also to identify emerging problems in personnel management and to make plans for their solution. There were 89 recommendations approved. Of these, 37 have been completed (although some still require action by other authority in and outside the Department), 29 are continuing projects of a long range character such as training programs, review program and liaison activities and 23 require further consideration and action by this Office, including the completion of negotiations with other agencies and authorization from the Civil Service Commission.

3. Comprehensive information on allowances and differentials for employees in foreign and territorial areas was developed for committees of the Senate and House of Representatives, the Bureau of the Budget and the Civil Service Commission. In wage administration, one of the continuing projects involved working out a more equitable method of administering wage rates paid employees under the jurisdiction of wage boards throughout the Department in relation to rates paid by other Federal agencies.

4. The importance of incentive programs as a segment of management improvement was stressed this past fiscal year. Counseling sessions were held with Department agencies to guide and assist them in the application of laws and regulations pertaining to the administration and operation of all phases of the incentive program—cash awards, efficiency awards, honor awards, and step increases for superior accomplishment. Delegations of authority to the agencies to take action in the field on cash awards were increased, which should give increased emphasis to the program. The agencies of the Department last year made the largest number of nominations for honor awards since the program has been in operation, indicating that this, the Department's oldest incentive awards program, is becoming better established.

5. Work was continued in the improvement of recruitment efforts and selection techniques. This involved strengthening the career program within the Department, establishing specifications for a number of positions not covered by examination in previous years, working out executive development and training agreements with the Civil Service Commission; inproving departmental contracts with land-grant colleges and other educational institutions in the interest of recruiting outstanding college graduates and the development and maintenance of an active roster of employees who have an interest and demonstrated aptitudes and abilities as potential administrators.

3. BUDGETARY AND FINANCIAL ADMINISTRATION AND SERVICE

General policy formulation and direction, review, inspection, and coordination of the budget, fiscal, and supply management functions of the Department of Agriculture are the responsibility of the Office of Budget and Finance, serving as a staff agency of the Secretary. The Office provides leadership and coordination of these activities through the development and installation of improved policies, methods, procedures, and systems with a view to strengthening the management and operation of the Department's programs and activities.

The activities of the Office must at all times facilitate the attainment of the program objectives envisioned by the Congress with the maximum efficiency and economy. The prompt recognition and adjustment to changing conditions, and the effective meeting of new problems is essential to the prevention of wasted effort. A constant awareness of and sensitivity to all aspects of the Department's work is necessary so that the application of practices and procedures make appropriate allowances for inherent differences in programs. More specifically, the Office is responsible for:

Policies and procedures.—Major emphasis is placed by the Office on the necessity for continuous effort to improve the procedures and methods pertaining to the functions within its area of responsibility. This includes the formulation and promulgation of overall departmental policies and procedures relating to these activities, the refinement of existing policies and procedures, the development of new methods and techniques to meet particular Department program needs, and the fostering of administrative and program management improve-

ments through staff liaison and cooperation with agencies of the Department and with other governmental agencies concerned.

Budget formulation and presentation, and management of funds, involving the supervision and coordination of:

(*a*) The formulation, preparation, and presentation of budget estimates and supporting justifications, including the review, analysis, and evaluation of agency estimates, the preparation of budgetary and statistical statements, etc., relating thereto, and the presentation of the estimates to the Budget Bureau and Appropriations Committees of Congress.

(*b*) The allotment and apportionment of funds and preparation and review of current obligation reports thereon, in order to provide for the orderly management of the expenditure of funds, consistent with the purposes for which they were made available.

Accounting and auditing function, involving the revision and modernizing of agency accounting systems, improving financial reporting techniques, and strengthening internal audits and controls. These functions are carried out through review and analysis of agency accounting systems, reporting, and auditing requirements with a view to:

(*a*) developing accounting systems in conformity with sound principles and standards to meet management needs;

(*b*) coordinating agency procedures and methods to meet program management needs as well as the requirements of the Treasury, General Accounting Office, and other agencies;

(*c*) perfecting the systematic flow of accounting data to facilitate improved internal and external financial reports;

(*d*) furnishing technical assistance to agencies in developing improved appropriation, cost, and revolving fund accounting systems and methods adapted to their particular needs;

(*e*) developing and issuing overall departmental regulations and policies on accounting and auditing operations;

(*f*) supervising and coordinating the development in the agencies of policies, methods, standards, and scope of internal audit programs.

Administrative accounting services.—The Bureau accounting services performs the payrolling, auditing, and administrative-fund accounting for the Office of the Secretary, including the staff offices and the working-capital fund, and for the Office of the Administrator, Agricultural Research Administration, and the Office of Experiment Stations. The cost of these services is charged directly to the applicable appropriations for the activities benefiting, except for the Office of Experiment Stations, for which a transfer of funds was made several years ago to the appropriation for the Office of the Secretary. Periodic time studies are conducted to verify and adjust, if necessary, the charges made to these appropriations.

Budgetary and financial reporting.—This includes the formulation and maintenance of a comprehensive and integrated system of financial and budgetary reporting within the Department; the review and analysis of agency reports to determine completeness, timeliness, etc.; the preparation of regular consolidated and special financial and statistical statements covering all fiscal operations of the Department, including capital, appropriated, and other funds; the development of standards for effective and useful financial and budgetary reports; and advice to the agencies to facilitate use of financial, budgetary, and related operating statements.

Procurement and supply management activities relate to the acquisition, storage, issue, effective utilization, replacement, and disposition of administrative and operating supplies and equipment, and to the formulation and promulgation of policies, regulations, and procedures in connection therewith, including the administration of delegations of procurement and sales authorities, and the analysis and review of agency operations.

Program review, consisting of analyses and evaluations of the budgetary, financial, and legislative aspects of program proposals and program operations.

Legislative reporting, including coordination of the preparation, review, and clearance of legislative proposals and reports, and providing legislative information relating to agriculture to departmental and agency officials.

Fiscal management, involving a wide range of budgetary, fiscal, and administrative problems, including the development of improved and simplified operating methods, procedures, administrative regulations and requirements, and operating instructions and controls; management improvements; measures of

economy and efficiency; and the management of administrative and program forms. This function is carried on in close cooperation with other staff offices and governmental agencies.

Liaison.—The Office serves as the central point of contact for the Department on budgetary, fiscal, procurement, legislative, and related matters with the Bureau of the Budget, General Accounting Office, Treasury Department, General Services Administration, and others. It also provides liaison with Congressional Committees on Appropriations and with other committees concerned with agricultural matters.

Examples of recent activities.—Work accomplished during the last fiscal year which is indicative of problems on which work is now being done, and with which the Office must deal constantly, includes:

(a) *Review of agency operations.*—During the year a series of special reviews of operations in the individual agencies of the Department was initiated as a further means by which the Director of Finance might carry out his responsibilities for the general direction, coordination, and supervision of matters relating to the fiscal affairs of the Department. In this way an effort is made to (*a*) obtain background information and understanding of practical situations for the guidance of the departmental staff in the development of policies, procedures, and other matters affecting the budget, fiscal, and supply management activities in the Department; (*b*) aid agency officials in the application of improved management techniques and principles in these fields; (*c*) provide information to the Director of Finance, and other Department officers, indicating whether reasonable standards of economy and efficiency prevail in the conduct of the foregoing activities; and (*d*) ascertain existing and emerging problems having financial implications and bring them to the attention of appropriate officials. One such review was completed and two others were well under way at the close of the year.

These surveys encompass all agency activities that have a significant relationship to the staff responsibilities of the Office but give particular emphasis to practical operating problems. They do not, however, take the place of longer term, detailed subject-matter studies and investigations of technical procedures and specific problems.

(b) *Improvements in budgetary administration.*—

(1) Simplification of procedures for allotting funds to agencies of the Department. Additional authority was delegated by the Secretary to the Director of Finance which resulted in relieving the Secretary of burdensome detail and expediting the process of making funds available to the agencies.

(2) Simplification of procedures for issuing financial advices to agencies. As a result of a joint regulation of the General Accounting Office and Treasury Department, it has been possible to eliminate several steps in the procedure for the receipt and use of special and trust funds. In addition, operating procedures with respect to the handling of advance working funds from other agencies were simplified to expedite these transactions and at the same time retain the necessary safeguards in the use of such funds.

(c) *Accounting systems development.*—Efforts in the area of systems development were concerned with such items as:

(1) developing improved allotment and general ledger accounting procedures;

(2) providing better control over obligations, allotments, and apportionments, and improving the handling of reimbursements and other collections;

(3) assuring a direct relationship between the accounts and the activity schedules in the budget;

(4) simplifying the processing of vouchers and other accounting documents;

(5) emphasizing better management and organization of accounting operations to prevent unnecessary paper work and duplication of effort and to strengthen internal controls;

(6) improving reports on the status of funds and other financial aspects of programs.

(*d*) *Simplifying and improving fiscal procedures.*—A pilot study was conducted relating to the use of a combined voucher and schedule form.

(*e*) *Strengthening of internal audit programs.*—Continued emphasis was placed on the effective coordination of the internal auditing program of the agencies of the Department with the comprehensive audit program of the General Accounting Office.

(*f*) *Improvement of purchasing and contracting procedures.*—Particular emphasis was placed during the year on developing a more effective procedure for reducing small purchases to a minimum and for keeping procurement costs on such purchases as low as possible, and at the same time maintaining adequate safeguards over the expenditure of public funds.

(*g*) *Procurement management.*—Some of the more important cooperative studies on a governmentwide basis of procurement-management problems, including those on revision and use of standard forms, development and use of Federal specifications, development of Federal cataloging, methods of contracting for public utilities and other continuous services, interagency purchase assignments, and criteria for determining method of supply, scheduling of needs, and materials requirements.

(*h*) *Property utilization and management.*—A program was inaugurated for more extensive development in the Department of equipment and supply utilization standards as a further means of better property management, and the coordination and simplification of procurement and inventory control processes. Cooperative studies were carried on with the General Services Administration for improving policies and methods providing for more economical and efficient management of Government owned and leased motor vehicles, including inspection, identification, replacement and control.

(4) GENERAL OPERATIONS.

The Office of Plant and Operations, as a staff office of the Secretary, is responsible for the housing of departmental activities, communications and records management services, technical advisory services, administrative and budgetary service functions for the Office of the Secretary and certain departmental services in the District of Columbia. Continuing emphasis is being given to the simplification of procedures, economies of operation, and the most efficient assignment of functions at all levels of the office.

The surveying, mapping and aerial photographic activities of departmental agencies which are reviewed and approved in this Office have continued during the year at a normal rate. A considerable quantity of special mapping asssignments from the Department of Defense have been received and handled by direct assignment from this Office of departmental agencies.

The Consolidated Housing Program.—The program of consolidated housing of Department agencies at the State and county levels under the policy announced in Secretary's Memorandum 1278 continued to be one of the principal activities of this Office. Working closely with representatives of the agencies, real progress is being made toward achieving the objectives of this program.

At the State level, there have been (1) 25 consoldiations actually accomplished; (2) 4 consolidations authorized and in process of being effected; and (3) 19 States where various problems have delayed final plans.

At the county level, there have been 1,840 consolidations as of November 30, 1952. This represents an increase of 495 county consolidations over the report to the Congress of a year ago.

This program has been greatly facilitated through the use of regional and area chiefs of administrative services of three of the agencies primarily involved in the State and county consolidations, as area administrative services technicians on a departmental basis.

Space Acquisition and Utilization.—The operation of the space acquisition and utilization program under Reorganization Plan 18 of 1950 greatly increased the liaison acitvities of this Office with the staffs of the General Services Administration both in Washington and the field. The development of policies and operating procedures required constant adjustment and revisions.

This Office continued to work with the General Services Administration in a program to bring about much needed, improvements in the buildings occupied by the Department in Washington. The South Building in particular has been seriously deficient in facilities for providing electrical energy. Additional transformers, feeders, and risers have been installed in the fourth and fifth wings of the South Building, and new fluorescent fixtures are being installed to alleviate some of the very poor lighted areas. New floor coverings have also been put down in some areas. The performance of this work is the responsibility of the General Services Administration.

Records Management Services.—This Office has the responsibility for the administration of the records-management program for the Department. This responsibility includes leadership in, and the coordination of records management

activities of all agencies of the Department. General policies, standards, and procedures are established as may become necessary to assure compliance of Department agencies with Public Law 754, 81st Congress, the Records Act of 1950, and regulations issued thereunder by the General Services Administration.

In December 1951, considerable impetus was given the records-management activities of all governmental agencies by the issuance of Regulations of the General Services Administration, Title 3, Federal Records. In brief, these regulations clearly define agency program responsibilities, policies and procedures to be adopted, and certain definite objectives to be achieved, the latter by a specific deadline date. A decided increase in the overall technical guidance and assistance to agencies by staff analysts has been the result of the issuance of these regulations.

Agencies, moreover, have become interested in a program of records management not only because of the added impetus of deadline objectives but also because of the desire to emulate the example of those agencies which are real "trail blazers." Further incentive has been provided during the past year for all agencies by the organization of a USDA Records Management Council which is sponsored by this Office. The membership of this Council is composed of persons responsible for records management in the various agencies of the Department. The Council meets at regular intervals for the expressed purpose of "(1) encouraging the study development, and use of improved methods and higher standards; (2) fostering and developing interest in establishing comprehensive and sound programs of records management; and (3) encouraging cooperative action on the part of agency records-management personnel in solving records problems through exchanges of ideas and other appropriate means."

This Office continues its work in all phases of records management including maintenance and disposition. For example, a staff analyst made a survey in one of the larger agencies of the Department which entailed inventorying approximately 13,500 cubic feet of records. As a result of the survey and accompanying final recommendations, it is expected that approximately 2,000 cubic feet of useless records will be destroyed in the near future. The preparation of a comprehensive functional schedule covering approximately 90 percent of all records in this agency will permit of disposal of a further quantity of records. The monetary value of the equipment alone being released by the immediately disposable records will result in substantial economies.

During the fiscal year 1952, approximately 153,080 cubic feet of inactive records were disposed of, which exceeds 54,216 cubic feet the amount disposed of during the fiscal year ending June 1951. Translated into other terms, this total is equivalent to the contents of 25,513 four-drawer letter-size filing cabinets.

Technical advisory services.—Technical advisory engineering services are supplied to all agencies in the Department in the selection, maintenance and utilization of automotive and construction equipment; engineering, photographic and photogrammetric instruments and appliances; laboratory and research appliances and apparatus; farm machinery and miscellaneous equipment in all the foregoing categories which involve the application of engineering principles. Members of the staff represent the Department on various inter- and intra-departmental technical committees engaged in the development of Federal specifications, commercial standards, simplified practice recommendations, and motor vehicle-operation-practices and standards.

Departmental and administrative services.—The departmental services are financed under two methods, namely, those from the appropriated funds which include the telephone switchboard, telegraph, the departmental post office and those financed under the working capital fund which include reproduction services, central stocking and issuing of supplies and forms and motor-transport garage and services. The administrative services functions for the overall Office of the Secretary and financed from appropriated funds and include budgetary, personnel, property, space and records-management services.

The beneficial effect of the executive-development program of the Office of Plant and Operations on the Service Operations Division was reflected in an improved organization and greater versatility on the part of the staff members who participated in the program. After painstaking experimentation, the organizational pattern which ensued proved both desirable and economical. Units were consolidated, the workflow simplified, and some savings in personnel made possible.

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. General administration	$520,653	$571,970	$513,103	−$58,867
2. Personnel administration and service	535,633	535,633	522,609	−13,024
3. Budgetary and financial administration and service	740,212	740,212	725,103	−15,109
4. General operations	472,223	472,223	455,223	−17,000
5. Office of Hearing Examiners	67,242	72,242	73,242	+1,000
Total available or estimate	2,335,963	2,392,280	2,289,280	−103,000
Transferred from—				
"Administrative expenses, Commodity Credit Corporation"	−83,980	−84,280	−84,280	
"Flood prevention, Agriculture"	−24,850	−35,000	−17,000	−18,000
Reduction pursuant to sec. 412	+2,867			
Total appropriation	2,230,000	2,273,000	2,188,000	−85,000

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $103,000 in this item below the original Budget Estimate consists of the following:

(1) Decrease of $58,867 under the project "General administration" consisting of (*a*) elimination of proposed increase of $40,867 for a central management staff to undertake studies and provide leadership in the improvement of organization, procedures, and general management; (*b*) elimination of proposed increase of $10,150 for additional assistance in developing and installing overall balanced watershed improvement programs (transfer from flood prevention appropriation); and (*c*) reduction of $7,850 below amount available in 1953 due to a reorganization of work under the flood prevention item.

(2) Reduction of $13,024 under the project "Personnel administration and service," below the original budget estimate for 1954 and the base for 1953 consists of 2 positions involving the classification and organization and personnel management activities and travel and miscellaneous expense funds of the Office.

(3) Reduction of $15,109 below amount available in 1953 under the project "Budgetary and financial administration and service" due to elimination of four positions as follows: (*a*) Elimination of central leave records; (*b*) further decentralization to agencies of the Department of the review and processing of miscellaneous claims against the Government; (*c*) elimination of 1 messenger; and (*d*) elimination of 1 position engaged in work on fiscal methods and procedures.

(4) Reduction of $17,000 below amount available in 1953 under the project "General operations" due to elimination of 2 positions in the Director's office. One of these is an assistant to the Director, whose duties will be performed by other officials of the Office. The other is a cartographic engineer, who had the responsibility of coordinating and approving mapping and aerial survey projects for the Department. In addition a reduction in miscellaneous expenses will be effected by issuing the Department telephone directory three times yearly instead of quarterly.

(5) An increase of $1,000 under the project "Office of Hearing Examiners" due to increase in travel costs.

WORKING CAPITAL FUND, DEPARTMENT OF AGRICULTURE

The working capital fund is a "no-year" operating fund of $400,000 established by the 1944 Agricultural Appropriation Act to pay the operating costs of certain centralized service organizations pending receipt of reimbursements for such costs from the bureaus and agencies provided with the services. The integrity of the original appropriation is maintained from year to year by means of these reimbursements, and an appropriation in 1954 is, therefore, unnecessary.

Statements reflecting the assets and liabilities and income and expenses of the working capital fund as of June 30, 1952, as well as estimates for 1953 and 1954 are printed in the budget schedules for the fiscal year 1954.

Statement of obligations under allotments and other funds [1]

Item	Obligations, 1952	Estimated obligations, 1953	Estimated obligations, 1954
Agricultural Marketing Act, Agriculture (Office of the Secretary of Agriculture): For accounting services rendered in connection with the Agricultural Marketing Act (RMA, title II)	$4,371	$4,400	$4,400
Working funds, agriculture, general (Office of the Secretary of Agriculture) advanced from:			
Mutual Security Administration: To cover administrative expenses incident to the Mutual Security Administration trainee program		17,300	
Department of the Interior: For cost of studies in connection with the development of an evaluation of the agricultural repayment feasibility of the Weber Basin reclamation project, Utah	758		
Department of the Army: For expenses in connection with a comprehensive survey of the Arkansas-White-Red River Basin	466		
Departments of the Army, Navy, and Air Force: To cover costs in connection with the preparation of strategic maps and map material, mosaic compilation, photographic reproductions and photogrammetric compilation	4,125	2,600	
Total, working funds, agriculture, general	5,349	19,900	
Mutual Security (allocation to Agriculture) (Office of the Secretary of Agriculture): To cover costs incurred for the establishment and maintenance of a roster of technically trained agriculturists and for security work	17,332		
Working fund, Agriculture, Office of the Secretary of Agriculture: Advanced from Rural Electricification Administration to cover expenses relating to investigations for rural electrification cooperatives	17,871	18,380	
Salaries and expenses, defense production activities, Agriculture (Office of the Secretary of Agriculture), to provide overall planning, coordination and integration of the defense activities of the Department	59,301	50,000	
Obligations under reimbursements from Governmental and other sources: Salaries and expenses	49,014	12,481	1,481
Total, obligations under allotments and other funds	153,238	105,161	5,881

[1] Includes only those amounts which, by Nov. 30, 1952, were actually received or programmed for 1953 or 1954. Since work for other agencies is performed on a service basis, at the request of those agencies and for their benefit, it is not practicable to estimate in advance the amounts to be received in most cases.

General Statement

Mr. Andersen. Mr. Aplin, do you have a general statement to present at this time?

Mr. Aplin. Yes, sir, I have a general statement that I would like to make, Mr. Chairman, if it is satisfactory.

Mr. Andersen. Go ahead, Mr. Aplin.

Mr. Aplin. Mr. Chairman, we appreciate this opportunity of discussing with your committee the work of the Office of the Secretary and other staff offices of Personnel, Budget and Finance, Plant and Operations, and Hearing Examiners. In opening the discussion, I would like to make a few general observations concerning reorganization within the imediate Office of the Secretary, and the effect of such changes on fund requirements for fiscal year 1954. I will also explain in a general way the proposed changes in the other staff offices which result in a net reduction of $46,683 below fiscal year 1953 in total funds under the appropriation, "Office of the Secretary." The $2,289,280 proposed in the revised budget for 1954 is a reduction of $103,000 below the original 1954 budget estimate.

I know this committee is already aware of the changes made by Secretary Benson in the grouping of agencies of the Department to make possible closer coordination of related activities and to centralize responsibility for consideration and determination of day-to-day operating problems and other matters requiring departmental attention. This and other changes affecting staff functions and responsibilities in the immediate Office of the Secretary, including the transfer to the Soil Conservation Service of general responsibility for administration of the Department's flood-prevention activities as provided by Department memorandum No. 1325, will obviously modify the staffing pattern contemplated by the original budget estimate for 1954. The revised budget for 1954 provides for 57 man-years of employment, including provision for consultants, at a total salary cost of $444,998. This compares with 70 man-years provided for in total funds available in 1953, including defense production activities, and in the original budget proposed for fiscal year 1954. The proposed budget for 1954 is also 6 man-years below actual employment on December 31, 1952. The revised 1954 estimate includes provision for financing from this appropriation the Director of Commodity Marketing and Adjustment and his immediate staff, who are now paid from funds of the Commodity Credit Corporation. The Director will be designated as an Assistant Secretary if Reorganization Plan No. 2 is approved. It also provides for the office of the Director of Agricultural Credit Services. The present Acting Director is on detail from the Farm Credit Administration. As that is only a temporary arrangement, provision must be made in this appropriation for the appointment of a director in 1954. Likewise, provision is made for an Administrative Assistant Secretary, but since that position will replace the Director of Departmental Administration, the net cost will be only $3,500.

Reorganization Plan No. 2 provides for 2 additional Assistant Secretaries. If the plan is approved, 1, as I have already indicated, will replace the Director of Commodity Marketing and Adjustment. Under Secretary Benson's plans, the other will replace the Director, Foreign Agricultural Service. Inasmuch as the budget for the Foreign Agricultural Service includes provision for a Director, those moneys would be used in 1954 for the payment of the salary of the Assistant Secretary assigned to that Service. This arrangement would seemingly be appropriate since his entire responsibility would relate to the work and functions of that program.

Accordingly, the proposed revised budget for 1954 for the immediate Office of the Secretary will not require any further adjustment, and Reorganization Plan No. 2, if approved, can be implemented even within the reduced man-years and salary provision now recommended. In view of the action taken on Department Memorandum No. 1325, it is proposed that the transfer of flood-prevention funds be reduced by $7,850 below 1953 and $18,000 below the original 1954 budget. The remaining $17,000 will be used for the payment of salaries and expenses of one person and a stenographer, who will be attached to the office of the Assistant Secretary to assist him in formulating policy recommendations and in representing the Department in interdepartmental meetings and discussions relating to the flood prevention and water utilization responsibilities of the Department of Agriculture.

In addition, reductions totaling approximately $45,000 are proposed in funds for the Offices of Personnel, Budget and Finance, and Plant and Operations. These will result from reduction of classification, organization, and personnel management activities; modification of methods for maintaining leave records in the staff offices; elimination of departmental review of agency submissions to the General Accounting Office of miscellaneous claims against the Government; reduction of work or fiscal methods and procedures; and the elimination of coordinating responsibilities in the Office of Plant and Operations for mapping and aerial survey projects. Other economies will also be effected in the Office of Plant and Operations through reassignment of duties, and a reduction in issuances of the Department telephone directory.

The budget for 1954 for the Office of Hearing Examiners includes a small increase of $6,000 due to reclassification by the Civil Service Commission of the five examiners positions from grade GS–14 to grade GS–15. The increase also provides for some additional travel costs necessary in the conduct of hearings required under various regulatory acts administered by the Department. During the fiscal year 1953 through April 15, 54 hearings were held. One hundred and four cases are pending at the present time, 14 of which will probably be assigned for hearing by July 1, 1953. In addition, it is conservatively estimated that there will be between 20 and 30 hearings necessary in connection with the promulgation of marketing agreement orders. In this small staff of 5 examiners and 2 clerical assistants, it is not possible to realize a saving from turnover to assist in meeting the additional expenses of the Office.

I have attempted only to summarize for you the effect of the changes proposed in work financed from this appropriation. If you care to discuss them in detail, the heads of the staff offices are present, and would be glad to do so, or to answer any questions you may have regarding their functions and responsibilities.

FUNCTIONS AND ASSIGNMENT OF POSITIONS

Mr. ANDERSEN. Thank you, Mr. Aplin. Before we proceed further we will insert in the records tables showing the functions and assignment of positions in the Office of the Secretary.

(The tables referred to follow:)

UNITED STATES DEPARTMENT OF AGRICULTURE

Office of the Secretary
Functional Organization and Budget Estimate Chart
Fiscal Year 1954

GENERAL ADMINISTRATION - IMMEDIATE OFFICE

The work of the Department of Agriculture is supervised and directed by the Secretary of Agriculture who is assisted by an Under Secretary, an Assistant Secretary, and Immediate Office Aides.

FUNCTIONS: The Immediate Offices of the Secretary, the Under Secretary, and the Assistant Secretary develop over-all policy in accordance with applicable laws; supervise and coordinate the agencies and programs of the Department; act as liaison with the Congress, other Governmental agencies and the public; develop programs for the welfare of American agriculture, and participate in international activities.

NET AVERAGE ANNUAL POSITIONS	56
APPROPRIATION REQUESTED	$513,103
PROGRAM DECREASE	-$7,550

BUDGETARY AND FINANCIAL ADMINISTRATION

FUNCTIONS: Exercises over-all coordination and supervision of budgetary and financial affairs of the Department, including the acquisition, allotment and apportionment of funds, accounting, auditing, financial reporting, organization and management of budget, fiscal, and procurement activities, purchasing, and supply utilization; formulates and issues Departmental policies and procedures; clears legislative reports; and serves as liaison with Budget Bureau, General Accounting Office, Treasury Department, Appropriations Committees, and other agencies concerned with the Department's budget and finances.

NET AVERAGE ANNUAL POSITIONS	116
APPROPRIATION REQUESTED	$725,103
PROGRAM DECREASE	-$15,109

PERSONNEL ADMINISTRATION AND SERVICE

FUNCTIONS: Administers for the Secretary the personnel management activities of the Department. These activities include classification, job evaluation, salary and wage administration, recruitment, placement, retirement, separation, leave, safety, employee relations, performance ratings, training, organization, incentive awards, investigations and health; serves as liaison on matters of personnel administration with all governmental or private agencies concerned with the work of this Department.

NET AVERAGE ANNUAL POSITIONS	78
APPROPRIATION REQUESTED	$524,090
PROGRAM DECREASE	-$13,024

GENERAL OPERATIONS

FUNCTIONS: Performs general operational and staff services incident to housing the activities of the Department; communications management and records administration; the furnishing of engineering services involved in the acquisition, utilization, and maintenance of equipment; central storeroom and supply; motor transport; photographic, duplicating and related services, and administrative service functions for the over-all Office of the Secretary.

NET AVERAGE ANNUAL POSITIONS	87
APPROPRIATION REQUESTED	$455,223
PROGRAM DECREASE	-$17,000

OFFICE OF HEARING EXAMINERS

FUNCTIONS: The hearing examiners hold hearings, make reports, recommend decisions, and perform related duties as required by statutes, regulations, and rules of practice applicable to the various matters under their jurisdiction.

NET AVERAGE ANNUAL POSITIONS (Administrative 5, Clerical 2)	7
APPROPRIATION REQUESTED	$73,242
PROGRAM INCREASE	+$6,000

General Administration, Immediate Office of the Secretary, fiscal year 1954

	Net average annual positions	Annual cost
Secretary: Directs the programs and activities of the Department	1	$22,500
Executive staff: Serves as Secretary's personal staff; meets representatives from agriculture, industry, and labor; advises with the Secretary on questions and problems relating to agriculture in its broadest sense (admistrative 4; clerical 2)[1]	6	43,969
Chauffeur: Drives car officially assigned to the Secretary (clerical 2, 2 shifts)	2	9,065
Under Secretary: Assists the Secretary in the general direction of the programs of the Department, acting for him in his absence, and has responsibility for day-to-day determinations on operating matters	1	17,567
Office staff: Serves as personal aide to the Under Secretary and provides office management and stenographic services (administrative 1; clerical 2)	3	23,510
Assistant Secretary: In addition to the general functions of Assistant Secretary, serves as head of the Research, Extension and Land Use Group	1	15,058
Office staff: Provides administrative assistance, office management, and stenographic services (administrative 2; clerical 3)	5	34,863
Director, commodity marketing and adjustment: Coordinates the various functions and activities of the Department relating to stabilization of farm income and prices, commodity adjustment and marketing, crop insurance, and enforcement of Commodity Exchange Act	1	15,058
Office staff: Provides administrative and stenographic services (administrative 1; clerical 2)	3	22,275
Director, agricultural credit: Coordinates the agricultural credit services of the Department	1	14,857
Office staff: Provides administrative and stenographic services (administrative 1; clerical 2)	3	19,470
Director, departmental administration: Coordinates staff and service activities relating to administration of the Department	1	14,857
Office staff: Provides administrative assistance (administrative 1; clerical 2)	3	19,344
Assistants to the Secretary: Represent the Secretary in conferences with agency chiefs, State delegations, State commissioners of agriculture, representatives of farm organizations, congressional committees, prepare important analyses and reports, etc. (administrative)	2	25,096
Office staff: Provides clerical and stenographic assistance (clerical)	2	9,823
Administrative assistance: Provide leadership in the improvement of organization, procedures and general management, and be responsible for special confidential assignments on a wide variety of complex problems of the Department (administrative 3; clerical 2)	5	39,632
Judicial officer: By delegation of the Secretary renders final administrative decisions in regulatory proceedings of a judicial or quasi-judicial nature conducted by the Department (administrative 2; clerical 2)	4	27,676
Clerical and messenger staff: Provides clerical, stenographic, typing, and messenger service; delivers confidential or urgent papers to the Capitol, White House, and Federal agencies (serves entire office) (clerical 9)	9	31,751
Consultants: For temporary services of expert consultants (w. a. e.) on matters relating to agricultural activities	3	33,232
Net average annual positions and salary costs	56	439,693
Other obligations		73,500
Total estimate	56	513,193

[1] Administrative, grade GS–11 and above; clerical, grade GS–10 and below.

Budgetary and Financial Administration and Service, Office of Budget and Finance, fiscal year 1954

	Net average annual positions	Annual cost
Office of Director of Finance and budget officer of the Department	1	$12,448
Deputy directors: Assist Director in general administration of budgetary, fiscal, and procurement activities of Department (administrative) [1]	2	22,184
Secretarial staff to Director and deputy directors (clerical)	3	13,849
Program analysts: Maintain liaison with bureaus on budgetary and financial aspects of current and proposed programs and reviews agency budget and program recommendations (administrative)	4	35,376
Secretarial staff to program analysts (clerical)	2	7,602
Estimates and allotments: Prepares budget estimates, allots and apportions Department funds; reviews current bureau obligations in relation to budgeted funds (administrative 6, clerical 11)	17	95,362
Legislative reporting and management review: Coordinates legislative reports and compiles and disseminates legislative information; develops and coordinates methods and procedures for improving overall departmental budget, fiscal and related practices (administrative 6, clerical 7)	13	76,582
Accounting and auditing (except BAS): Develops accounting systems and procedures; examines fiscal procedures; provides audit staff services; and maintains summary cash and fund availability accounts for appropriated, trust, and other funds allotted to 2 or more agencies (administrative 16, clerical 15)	31	178,589
Bureau accounting services: Performs Bureau fiscal and accounting services for Secretary's Office and other small Bureau units (administrative 1, clerical 8)	9	43,229
Budgetary and financial reporting: Provides central budgetary and financial reporting; develops reporting standards; and advises bureaus respecting reporting methods (administrative 4, clerical 6)	10	61,648
Procurement and property management: Includes overall procurement, sales, contract, and property and supply management functions (administrative 6, clerical 13)	19	99,607
Administrative service unit: Provides mails, files, messenger, supply, clerical and typing assistance, and similar administrative services for internal operations of Budget and Finance (clerical 5)	5	18,851
Net average positions and salary cost	116	665,327
Examination of estimates in field		7,185
Other obligations		52,591
Total estimate	116	725,103

[1] Administrative, GS–11 and above; clerical, GS–10 and below.

Personnel administration and service, office of personnel, fiscal year 1954

	Net average annual positions	Annual cost
Office of the Director: Administers the overall planning, direction and coordination of the Department's personnel management program, including immediate responsibility for the Department's safety program (administrative 4, clerical 4) [1]	8.0	$61,053
Division of Classification: Supervises allocation of all positions in the Department; determines methods of compensation for positions outside the Classification Act of 1949; develops policies with respect to hours of duty for employees; interprets appropriate laws, Civil Service Commission rules and Comptroller General decisions and develops policies and regulations on compensation, including within-grade increases; develops classification specifications for positions peculiar to the Department and cooperates with the Civil Service Commission in drafting specifications for positions on a servicewide basis (administrative 5, clerical 2.5)	7.5	53,417
Division of Investigations: Investigates alleged violations of laws applicable to the Department or violations of Department regulations; investigates alleged mismanagement and misconduct of personnel within the Department and its instrumentalities; establishes standards to be followed by agencies of the Department in conducting disciplinary investigations and in determining the action to be taken as a result thereof; makes record checks and inquiries in security clearance cases, including requests for special passports, attendance at international conferences, access to classified material and membership on interdepartmental committees dealing with matters important to the national security (administrative 10, clerical 10)	20.0	116,689
Division of Employment: Supervises the recruitment, placement, transfer, promotion, leave, separation, and retirement phases of the personnel management program; develops qualification and examination standards for positions; conducts systematic reviews of delegated employment authority for compliance with policy, legal, and regulatory requirements; coordinates the compilation of departmental personnel statistics (administrative 6.5; clerical 6.5)	13.0	76,275
Division of Employee Health: Supervises the health facilities of the Department; provides treatment of on-the-job illnesses requiring emergency attention; assists in the conduct of employee health education; advises with employees on health matters and instructs employees injured in line of duty regarding compensation rights, report requirements and procedures and conducts health examinations as necessary (administrative 2.0; clerical 8.0)	10.0	53,386
Division of Employee Performance and Development: Examines employee grievance appeals and recommends solutions; administers Department's performance rating appeals procedures; advises officials and employees on employee adjustment; serves as liaison with organized groups such as labor unions, welfare associations, veterans organizations, community and similar groups; develops Department policy and instructions and coordinates administration of the performance rating plan throughout the Department. Develops training policies and standards as guides for agencies and makes reviews of training done and efficiency of methods and techniques; advises with agencies and demonstrates the use of effective methods and techniques of training clerical, administrative, technical, and scientific employees, develops methods and techniques for improvement of employees, management training, job training, and orientation; through committees and other means provides for needed collaboration between the colleges and agencies of the Department to improve preservice and postentry education of employees; advises in initiating and reorganizing agency training programs (administrative 4; clerical 1)	5.0	41,088
Division of Organization and Personnel Management: Develops improved personnel procedures and organization patterns; reviews organization changes; surveys and investigates Department's organization to improve structure, lines of authority and responsibility, flow of work and workload distribution to promote more effective use of personnel; initiates the preparation of policy, regulatory and administrative personnel instructions and maintains control records on delegated personnel authorities; administers the Department's awards program; directs the review and appraisal of agency personnel program activities; develops standards of personnel office performance; prepares departmental reports on pending legislation having personnel implications; participates in the development and execution of operating plans for the Department's management program and arranges for the investigation of employee suggestions (Administrative 6; clerical 3.5)	9.5	63,372
Administrative Section: Provides internal administrative services for the office on budget, personnel, mail, messenger, property and procurement activities (Administrative 1; clerical 4)	5.0	20,024
Net annual positions and salary costs	78.0	485,304
Other obligations		38,786
Total estimate		524,090

[1] Administrative, grade GS–11 and above; clerical, grade GS–10 and below.

General operations, Office of Plant and Operations, fiscal year 1954

	Net average annual positions	Annual cost
Office of the Director (directs the activities of the Office):		
(Administrative, 4; [1] clerical, 2)	6	$48,219
(Clerical, 1) [2]	*1*	*3,549*
Technical Services Division (provides advisory engineering services incident to the acquisition, utilization, and maintenance of automotive, heavy, and scientific equipment; and general coordination of automotive repair shop and equipment depot, and photographic laboratory activities): (Administrative, 2; clerical, 1)	3	21,267
Real Estate Division (exercises general responsibility for housing the operating plant of the Department; directs the leasing activities of the Department; and acts as liaison with the General Services Administration and the Post Office Department on pertinent problems): (Administrative, 6; clerical, 2)	8	54,215
Records Administration (exercises general responsibility for the planning and development of the records management program of the Department; acts as liaison with the General Services Administration on related matters): (Administrative, 5; clerical, 1)	6	41,724
Administrative Services Division:		
Office of Chief (exercises direction and supervision of administrative service functions for overall Office of the Secretary): (Administrative, 1; clerical, 2)	3	15,881
Personnel Section (performs personnel functions for the overall Office of the Secretary):		
(Administrative, 3)	3	16,825
(Clerical, 2)	*2*	*7,850*
Budget Section (develops and coordinates budgets and justifications; exercises budgetary controls for the overall Office of the Secretary): (Administrative, 1; clerical, 2)	3	15,610
Property and Space Management Section (provides property and space management services for the overall Office of the Secretary): (administrative 1; clerical 2)	3	11,515
Secretary's Records Section (provides records-management services for the immediate Office of the Secretary and the Office of Plant and Operations and handles mail addressed to the Secretary of Agriculture and the Department of Agriculture): (administrative 1; clerical 19)	20	73,835
Service Operations Division: Office of Chief (directs and coordinates the activities of the Division):		
(Administrative 1)	1	6,164
(Administrative 3)	*3*	*22,025*
Work Planning and Control Section (processes and schedules work orders and requisitions for communication services; audits and certifies telegraph and telephone vouchers; compiles departmental telephone directory; schedules and controls requests for photographic, duplicating and supply services; maintains related inventory and cost accounting controls; provides purchasing service for certain agencies of the Department):		
(Clerical 1)	1	4,051
(Administrative 2; Clerical 18)	*20*	*77,317*
Telephone Switchboard Section (provides central departmental telephone switchboard service in the District of Columbia): (Clerical 19)	19	65,657
Telegraph Section (provides central departmental telegraph service in the District of Columbia): (Clerical 5)	5	20,197
Post Office Section (receives, distributes, and dispatches all mail for the Department in the District of Columbia): (Clerical 6)	6	20,57
Motor Transport Section (provides automotive and transport storage and services in the District of Columbia) (clerical 6.5)	*6.5*	*21,670*
Duplicating and Mailing Section (furnishes central departmental duplicating and mailing services): (administrative 1; clerical 102.5)	*103.5*	*354,329*
Photographic Section (furnishes central Departmental photographic services): (administrative 1; clerical 12)	*13*	*53,169*
Central Supply Section (provides central departmental storeroom and supply services): (clerical 22)	*22*	*72,194*
U. S. Department of Agriculture publication: (administrative 1; clerical 1)	*2*	*11,113*
Total net average annual positions and salary cost	87.0	415,733
	175.0	*625,256*
Other obligations		39,490
Total estimate	87.0	455,223
	175.0	*625,256*

[1] Administrative: GS-9 and above; clerical: GS-8 and below.
[2] Italics represent employment, on a reimbursable basis, under the working-capital fund.

Mr. ANDERSON. Mr. Aplin, if you care to call on any of your assistants for further general statements, we will be glad to hear from them at this time.

OFFICE OF BUDGET AND FINANCE

Mr. ROBERTS. Insofar as the Office of Budget and Finance is concerned, Mr. Chairman, I believe the explanation for the decrease of about $15,000 is fairly well set forth on page 391 of the justifications. Unless there are some questions regarding that, I do not have anything particularly to add.

I believe the committee is well informed on the functions of my Office and the kind of work we are doing. I might submit for the record, and I will ask Mr. Berger to pass it to members of the committee, a tabulation we have prepared showing a breakdown of the manner in which we use our funds. It is a summary tabulation by functions.

Under the proposal, the average annual positions for the Office of Budget and Finance will be reduced from 121 in 1953 to 116 in 1954.

This will be effected by some reorganization of work within the Office, by modification of the manner in which we are handling certain claims, by a revision of procedures for the maintenance of leave records, and by the elimination of one or two positions in the fiscal and administrative services work of the Office.

I do want to call the chairman's attention to the fact that last year when I was before this committee I reported on one of the accounting improvements which had been effected by the Office of Budget and Finance in our accounting improvement program. I pointed out that it was an improvement that was worked up jointly with our staff and with the General Accounting Office, that it had been placed on a pilot-plant basis in the Department, and that it had worked out very successfully. I think at that time it had just been announced for governmentwide use. Last year the chairman asked that I report to the committee at this time on the savings which have resulted from that improvement. I have such a report here, Mr. Chairman, if you wish to have it. It indicates a saving in the Department of Agriculture of about 3¼ million forms and about 72 man-years of employment. The total saving is estimated at about $231,800.

Mr. ANDERSEN. It would be well if you would leave a copy of it with the committee, Mr. Roberts.

OFFICE OF PERSONNEL

Mr. Reid, do you have any comments on your Office?

Mr. REID. Yes, Mr. Chairman, I appreciate the opportunity to make a very few comments.

There is a decrease of $13,024 provided for in the budget for the Office of Personnel for 1954. This decrease eliminates two positions and some travel and miscellaneous expenses of the Office.

As I think you know, the Office is composed of six functional divisions. We made a change in it about a year ago. These divisions are Organization and Personnel Management, Classification, Employment, Employee Performance and Development, which is the consolidation of two divisions, the Employee Relations and Training Divisions, Investigations, and Employee Health.

I have brought with me a set of charts describing the functions and responsibilities of each of the divisions which I will be glad to supply

to the committee, and give you additional copies of the charts, if you wish them.

Mr. ANDERSEN. Thank you, Mr. Reid.

Mr. REID. I have also, Mr. Chairman, two charts showing the organization of the Office, the manner in which it serves the Department's personnel requirements, how controls are maintained over the authorities delegated, and some employment statistics and budgetary information covering the past 11 years. I shall be glad to leave copies of that with the committee.

Mr. ANDERSEN. Thank you.

REDUCTION IN STAFF

Mr. REID. From December 31, 1941, to December 31, 1952, the staff of the Office of Personnel has been reduced from 210 to 78 employees. This is a reduction of 62.8 percent.

During this same period, the total paid employment in the Department decreased from 108,317 to 67,406, which is a reduction of 37.7 percent in the total employment in the Department as compared with 62.8 percent reduction in the Office of Personnel.

Mr. ANDERSEN. Are they full-time employees, Mr. Reid?

Mr. REID. Those are the full-time and the part-time employees, and the part-time employees in this case would range about 13,000 or 14,000.

Mr. ANDERSON. How many full-time employees do you have today in the Department of Agriculture?

Mr. REID. In the Department of Agriculture on the last report, which was February 28, there were 55,381 full-time employees.

Mr. ANDERSEN. Most of the part-time employees, I presume, are employed in the summer on control projects, forest fire control, and so forth.

Mr. REID. That is right. Of course, the number of part-time employees at this season of the year increases rather materially.

Mr. ANDERSEN. How many do you have during the winter months.

Mr. REID. In February there were 11,467.

NUMBER OF POSITIONS IN DEPARTMENTAL REQUEST

Mr. ANDERSEN. Mr. Roberts, how many positions does the budget request for 1954 cover. That may require some study, and if you do not have it available now you may insert it in the record.

Mr. ROBERTS. It is available. I have a table here that I can offer for the record.

Mr. ANDERSEN. Just give us a summary now.

Mr. ROBERTS. The revised estimates for 1954 are 3,105 average annual positions below the 1954 original estimates for annual appropriations for regular activities.

Mr. ANDERSEN. You are referring to positions now?

Mr. ROBERTS. Yes; average annual positions.

Mr. ANDERSEN. Is that for full-time or part-time employees?

Mr. ROBERTS. That is on an average annual position basis, that is, the equivalent of employment of full-time employees.

Mr. ANDERSEN. You are talking about man-years?

Mr. ROBERTS. That is correct.

Mr. ANDERSEN. Yes.

Mr. ROBERTS. The revised estimates provide for about 1,088 man-years below 1953.

Mr. ANDERSEN. Your revised budget request, if granted on that basis, would give you approximately 1,088 man-years below the 1953 appropriation; is that correct?

Mr. ROBERTS. Yes, sir.

Mr. ANDERSEN. Do you have anything further, Mr. Reid?

Mr. REID. No, thank you, Mr. Chairman.

AVERAGE COST OF PROCESSING A REQUISITION

Mr. HORAN. What is the average cost of processing a requisition? The reason I ask that question is because the Hoover Commission Task Force made a study of it and found that it costs an enormous amount to process some requisitions for various reasons, and I happen to know that Mr. Roberts has even gone so far as to put out a bulletin to his various divisions trying to cut down on the ridiculous cost of some of these requisitions. I wanted that for the record.

Mr. ROBERTS. I do not have that figure available. I will have to put it in the record.

(The matter referred to is as follows:)

The cost figures referred to were contained in the overall statement of March 14, 1951, to Mr. Horan, and the pertinent portion thereof is quoted below:

"However, in connection with budget estimates for 1950, data was compiled on operations of the 1948 fiscal year which indicated that it cost on the average $2.68 in salaries for each purchase transaction processed in the Department during that year. Included in the total number handled, of course, were many big amounts for large quantities of materials, supplies, and equipment involving the preparation of specifications, issuance of invitations to bid, award of contracts, etc. The review further indicated that if the salary cost of processing all procurement transactions of that year were applied against the total dollar value of all procurements made during the year, it cost the Department $0.032 for each dollar's worth of procurement effected."

Mr. ROBERTS. I want to add this: Since that study was made, and since we furnished to this committee, I believe, 2 years ago, a rather complete résumé of that whole area of activity, substantial progress has been made throughout the Government in reducing the cost of processing requisitions.

There have been some regulations issued jointly by the General Services Administration, the Treasury Department, and the General Accounting Office, which permitted greater use of cash funds for purchases. I might add that the GSA has established a working group, on which the Department of Agriculture is represented, to further develop small-purchase procedures such as the use of blanket-purchase orders and pocket-sized purchase order forms for over-the-counter purchases. Also, the Department has continued its emphasis on improving the planning and scheduling of purchase requirements in order to reduce the number of requisitions. The application of these procedures should tend to further reduce not only the number of orders issued but also the cost of making such purchases. As has been cited frequently in the past, it would often cost more to process a small order than the cost of the article itself, but many of these items are now purchased just the same as you and I would purchase them over the

counter and pay cash or provide for periodic payments like a charge account. It is felt that significant progress has been made during the last several years in this respect.

OFFICE OF PLANT AND OPERATIONS

Mr. ANDERSEN. Mr. Thatcher, do you have any comments you would like to make on your division?

Mr. THATCHER. Thank you very much, Mr. Chairman. I appreciate the privilege that you are affording me, but I believe the House notes are fairly complete. Unless there are questions you would like to ask, I have nothing further to say.

Mr. ANDERSEN. We would like to have you describe the duties of the 35 people in your Administrative Services Division.

Mr. THATCHER. Yes, sir.

Mr. ANDERSEN. Will you place an answer to that in the record at this point?

Mr. THATCHER. Yes, sir; I shall be glad to.

(The information requested is as follows:)

STATEMENT OF FUNCTIONS OF THE ADMINISTRATIVE SERVICES DIVISION

The Administrative Services Division provides certain operating services for the several offices which comprise the overall Office of the Secretary and are financed from appropriations available to the Office of the Secretary. These service operations include personnel, budgetary, and property and space management activities for the overall Office of the Secretary, records management activities for the immediate Office of the Secretary and the Office of Plant and Operations, and the handling of all mail addressed specifically to the Secretary or to the Department of Agriculture.

The original 1954 estimates included 33 positions in the Administrative Services Division on regular appropriated funds and 2 positions on the working capital fund, or a total of 35 positions. However, the revised estimates for 1954 include only 32 positions on the regular appropriation and 2 positions on the working capital fund, or a total of 34 positions. A breakdown of the functions and personnel is as follows:

Office of the Chief includes the Chief (GS–12) who directs and coordinates the activities of the Division; a clerk (GS–6) who provides travel information and service for the overall Office of the Secretary; and 1 secretary-stenographer (GS–5)	3
Personnel Section includes a Chief (GS–11); 3 employees (GS–9, GS–7, and GS–4) who are responsible for recruitment, appointment, and placement services, and the maintenance of pertinent records and prepare reports and statements and compile statistics as required by the Department, Civil Service Commission, Budget Bureau and congressional committees; and 1 employee (GS–9) who is responsible for classification, training, counseling, and employee relations activities	5
Budget Section includes a Chief (GS–11) and 2 employees (GS–7) who are responsible for budgetary control of funds appropriated and allotted to the overall Office of the Secretary. They develop and coordinate budget estimates and justifications in collaboration with the heads of the staff offices comprising the Office of the Secretary, and prepare necessary material for appropriation hearings before the Bureau of the Budget and the Congress	3
Property and Space Management Section includes a Chief (GS–9) and 2 laborers (CPC–4 and CPC–3) who provide property and space management and related housekeeping services	3
Secretary's Records Section provides records management services for the immediate Office of the Secretary and the Office of Plant and Operations. Secretary's Records is supervised by a Chief and an Assistant Chief in grades GS–9 and GS–7, respectively	2

Its units and personnel by grades are as follows:

Records Unit which classifies, indexes, files, and services the records requirements includes the following:

Clerk, GS–5	1
Clerks, GS–4	2
Clerks, GS–3	2
Total	5

Mail Review and Control Unit receives, opens, and routes the mail; performs certain services on outgoing mail signed by the Secretary, including the placing of the official Department seal where required; and operates the pickup and delivery messenger service. Its personnel is as follows:

Clerk, GS–5	1
Clerks, GS–4	2
Clerks, GS–3	2
Messengers, CPC–3	4
Total	9

Administrative Regulations Unit processes material to be included in the administrative regulations of the Department and the handling of the Secretary's and Office of Plant and Operations memoranda. This includes numbering, editing for format, preparation, duplication, and distribution of such material. The unit also maintains the official Department record of such material. The unit includes:

Supervisor, GS–7	1
Clerks, GS–5	2
Clerk, GS–4	1
Total	4
Total, Administrative Services Division	34

OFFICE OF HEARING EXAMINERS

Mr. ANDERSEN. Mr. Gifford, we notice an increase for your office to cover the reclassification of hearing examiners. Have these reclassifications been approved by the Civil Service Commission?

Mr. GIFFORD. The jobs of hearing examiners have been reclassified from GS–14 to GS–15. The present incumbents are qualified as GS–14's.

The Civil Service Commission has made its investigation to determine whether the present incumbents are qualified or not to hold GS–15 positions.

In the event they are not qualified as such, of course, the positions will have to be filled with those who do qualify as GS–15's.

Mr. ANDERSEN. What was the reason for the reclassification, Mr. Gifford?

Mr. GIFFORD. You will have to ask the Civil Service Commission. I presume it was on the authority of the type of work they were doing.

Mr. ANDERSEN. They must have thought that particular work justified a higher grade.

Mr. GIFFORD. That is right.

Mr. REID. The Civil Service Commission investigated these positions and made the determination that the positions fall within GS–15 responsibilities for hearing examiners.

Mr. ANDERSEN. Was that on their own initiative, Mr. Reid, or was it on the initiative of the Department?

Mr. REID. I think the attention of the Commission had been called to the fact that the responsibilities of those positions in the Department of Agriculture were similar to positions in other agencies which were GS–15's.

ASSIGNMENT OF FLOOD CONTROL TO SCS

Mr. ANDERSEN. Mr. Aplin, we have had testimony about the assignment of flood-prevention work to SCS. Just what effect will that have on the Office of the Secretary?

Mr. APLIN. It reduces the amount of work that would be done in the immediate office of the Secretary on that particular program by transferring it to the Soil Conservation Service, except for one man, and a secretary, who will be left as coordinator.

Mr. ANDERSEN. I think you pointed out that you are continuing one man in the immediate Office of the Secretary for liaison purposes.

Mr. APLIN. Yes; to represent the Department with other departments and have general supervision of water utilization responsibilities of the Department.

Mr. ANDERSEN. How about those other folks who were previously doing that kind of work? Have they been transferred over to SCS?

Mr. APLIN. No; they have been given termination notices for the most part. Some of them will find employment with other agencies within the Department, but not in general on the flood-prevention work.

Mr. ROBERTS. As I understand it, Mr. Andersen, even though these folks get employment in the other agencies, with one possible exception it will not be in connection with functions transferred to SCS. In other words, with the elimination of this water utilization group, the general direction of this complete program is going to be assumed by Soil Conservation Service within their existing organization. They will also maintain field contacts on the program with their existing field personnel. The result of the transfer, we estimate, is a saving of approximately $120,000.

Mr. ANDERSEN. What did you do with that money, Mr. Roberts?

Mr. ROBERTS. The table you have, that we passed out, together with Mr. Aplin's explanation given at the beginning of this hearing, indicates that the funds which would otherwise be allocated to that group will be used in 1954 to pay for the head of the Commodity Adjustment Group and his staff, the head of the Credit Group and his staff, an administrative assistant to Mr. Aplin, and other positions which I mentioned earlier. The funds that would otherwise be allocated to that work in 1954 will make it possible for us to take care of new group heads without any additional cost in the Secretary's Office. As a matter of fact, there will be a net saving. I have a tabulation here which might be placed in the record, showing positions and salary amounts in the Immediate Office of the Secretary in 1953 and proposed for 1954.

(The statement referred to follows:)

Analysis of man-years and salaries, fiscal years 1953 and 1954

Grade		1953 appropriation		Employment, Dec. 31, 1952		Fiscal year 1954 original budget		Fiscal year 1954 revised budget	
		Man-years	Amount	Man-years	Amount	Man-years	Amount	Man-years	Amount
	Secretary of Agriculture	1	$22,500	1	$22,500	1	$22,500	1	$22,500
	Under Secretary	1	17,500	1	17,500	1	17,500	1	17,500
	Assistant Secretary	1	15,000	1	15,000	1	15,000	2	30,000
GS-18	Administrative Assistant Secretary							1	14,800
GS-18	Assistant to the Secretary							1	14,800
GS-17	Assistant to the Secretary							1	13,000
GS-16	Agricultural economist	1	12,200	1	12,200	1	12,400		
GS-16	Executive assistant	1	12,200	1	12,200	1	12,400	1	12,000
GS-16	Judicial officer	1	12,200	1	12,200	1	12,400	1	12,400
GS-16	Assistant to the Secretary							1	12,000
GS-15		7	80,100	5	57,250	7	79,850	7	77,850
GS-14		11	108,800	11	109,200	12	120,000	2	19,200
GS-13		3	27,680	2	17,520	6	52,360	1	9,360
GS-12		1	7,040					2	14,080
GS-11		1	6,540	1	6,540	1	6,540	1	5,940
GS-9		5	27,800	6	33,360	5	28,800	8	43,605
GS-8		1	5,245	1	5,245	1	5,245		
GS-7		12	56,835	9	42,845	10	48,050	7	34,060
GS-5		12	46,045	11	43,135	13	51,330	6	22,210
GS-4								2	6,430
GS-2		2	6,460	2	6,620	2	6,540	2	6,620
CPC-5		1	3,534	1	3,534	1	3,534	1	3,534
CPC-4		2	6,460	3	9,770	3	9,770	3	9,770
CPC-3		3	8,936	2	6,064	2	6,144	2	6,144
	Total	67	483,075	60	432,683	69	510,363	54	407,803
	Consultants (average positions)	3	15,000	3	15,000	1	1,000	3	33,232
	1 day in excess and overtime		4,077				3,682		3,963
	Total	70	502,152	63	447,683	70	515,045	57	444,998
	Less defense production activities	5	31,990	5	31,990				
	Deduct lapses	3	16,723			1.5	8,378	1	5,395
	Grand total	62	453,439	58	415,693	68.5	506,667	56	439,603

ECONOMISTS

Mr. ANDERSEN. Mr. Roberts, you have two gentlemen with the title of "Economist" in the Office of the Secretary. Just who are they?

Mr. ROBERTS. Dr. Louis Bean had the title of "Agricultural economist," although his services in the Office of the Secretary have now been terminated. The other person with a title of "Economist" was Dr. Gladwyn Young, who has been serving as representative of the Secretary with headquarters at Lincoln, Nebr. Although a classification title of "Economist" had been given to him, he was actually engaged in coordinating in the field soil and water conservation and utilization activities of the Department with those of other Federal Departments, and with State and local agencies and groups.

Mr. ANDERSEN. Will you describe the duties of the agricultural economist, Mr. Roberts?

Mr. ROBERTS. Mr. Bean was economic adviser to Secretary Brannan. I think we have already inserted in the record, at an earlier hearing, a statement indicating that he has been transferred to the Bureau of Agricultural Economics. It is expected that his services there will be terminated as of June 30, 1953.

LEGAL AUTHORITY

Mr. ANDERSEN. Now, Mr. Roberts, will you place in the record the basic legal authority for the activities in the Office of the Secretary and indicate whether it is mandatory or permissive.

Mr. ROBERTS. We shall be glad to, Mr. Chairman.

(The information requested follows:)

The basic authority for the Immediate Office of the Secretary, as well as the staff offices financed under the appropriation "Salaries and expenses, Office of the Secretary," is the Organic Act of May 15, 1862, which provides for the establishment of a Department of Agriculture which, by act of February 9, 1889, was made an executive department under the supervision and control of a Secretary of Agriculture (5 U. S. C. 511–514, 515). Specific legislative authority is also provided for an Under Secretary and an Assistant Secretary. Numerous program authorities, responsibilities, and requirements are imposed directly on the Secretary of Agriculture or shared with him by the heads of the several agencies within the Department.

In the general field of administrative operations, there are numerous mandatory requirements of law relating to the employment of personnel and use of public funds and property. In meeting these responsibilities, the Secretary is assisted by the staff offices of Personnel, Budget and Finance, and Plant and Operations, which act for him or in his name. Several of the more important mandatory requirements of law which fall in this category are as follows:

Classification Act of 1949, which imposes upon department heads duties in connection with the classification of positions and the determination of compensation rates (5 U. S. C., Supp. 1071 et seq.).

Performance Rating Act of 1950, which requires the establishment by department heads of a performance rating plan (5 U. S. C., Supp. 2001 et seq.).

The Civil Service Act, as amended (5 U. S. C. 631 et seq.).

The Annual and Sick Leave Act of 1951 (5 U. S. C., Supp. 2061 et seq.).

The Retirement Act, as amended (5 U. S. C. 691 et seq.).

The Federal Employees Pay Act of 1945, as amended (5 U. S. C. 901 et seq.).

The Veterans Preference Act of 1944, as amended (5 U. S. C. 851 et seq.).

The Hatch Act, as amended (5 U. S. C. 1181–o).

Act of May 15, 1862, as amended, which provides for an annual general report by the Secretary of Agriculture to the President, to contain, among other things, an account of all moneys received and expended by him (5 U. S. C. 557), and which further provides that the Secretary of Agriculture shall direct and superintend the expenditure of all money appropriated to the Department and render accounts thereof (5 U. S. C. 557a).

Act of March 3, 1885, as amended, which provides that the Secretary of Agriculture shall furnish proper vouchers and accounts for the sums appropriated for the Department of Agriculture to the General Accounting Office (5 U. S. C. 558).

The Budget and Accounting Act of 1921, as amended (31 U. S. C. 1 et seq.) and the Accounting and Auditing Act of 1950 (31 U. S. C. Supp. 65 et seq.), which require Department heads to perform various functions with respect to the budget and with respect to accounting and fund control.

The Administrative Expense Act of 1946, as amended (5 U. S. C. 73b et seq.).

The Travel Expense Act of 1949, as amended (5 U. S. C. Supp. 835 et seq.).

Federal Property and Administrative Services Act of 1949, as amended, which provides for the procurement and supply of personal property and nonpersonal services, related functions, the utilization of available property and space, the disposal of surplus property, and records management (40 U. S. C. Supp. 471 et seq.).

In addition, the Office of Hearings Examiners is authorized by the Administrative Procedure Act of 1946, as amended, which provides for the appointment of as many examiners as may be necessary for proceedings required by this act regarding administrative rulemaking and adjudication (5 U. S. C. 1001 et seq.).

GRADUATE SCHOOL

Mr. HUNTER. Mr. Chairman, I had several questions about the Graduate School, but I understand that there is no one here to answer them. I would like to ask the questions and then have them answered by whoever is qualified to answer them.

Mr. ANDERSEN. Mr. Reid, can you discuss the Graduate School?

Mr. REID. I am Chairman of the Administrative Board of the Graduate School, and I know something about it. Dr. Cardon is the Director of the Graduate School, and has detailed information on it.

Mr. HUNTER. Frankly, I know very little about it, but some concern has been expressed about its operations, particularly by people in educational circles, and I think it would be well to place in the record something concerning its operations.

Who is eligible for attendance in this school?

Mr. REID. The Graduate School was established in 1921, and has operated since that time as a school within the Department of Agriculture. It is supported by tuition fees which are paid by those in attendance at the school, and persons are eligible to attend the school who are in Government service. There are some few students in it who are not in Government service. Most of them are relatives of people who are in Government service.

Mr. HUNTER. It is not limited, then, to employees of the Department of Agriculture?

Mr. REID. No, it is not limited to employees of the Department of Agriculture. It is attended by Government employees of nearly all departments of Government.

It gives courses which are not generally given in the other institutions, and, of course, which have a direct bearing on Government work.

NOT A DEGREE-GRANTING INSTITUTION

It is not a degree-granting institution. It gives credit for the courses, and those credits are transferred to degree-granting institutions on request of the student and of the institution.

The Graduate School has an agreement with the University of Maryland by which a great many students in agriculture transfer their credits direct to that institution. It operates a coordinated program.

Mr. HUNTER. I would like to have placed in the record the number of students presently enrolled in the school.

Mr. REID. I shall be glad to supply that information.

(The information requested is as follows:)

Two thousand three hundred and eighty-nine students are now enrolled in Graduate School courses for the spring semester of 1953. Graduate School classes are open to employees of all Government agencies regardless of race or color.

Mr. HUNTER. Also the number of courses given. I do not believe it is necessary to go into a description of all of the courses, but give the total number of courses you have.

Mr. REID. Yes, sir.

(The information requested is as follows:)

The graduate school listed 377 courses in its 1952–53 catalog. In the fall semester of 1952–53 the graduate school gave 173 courses and in the spring semester, 162.

Mr. HUNTER. Now, I understand the school was originally organized as an in-service training program for Department of Agriculture employees, much the same as exists in private industry in order to train employees to do a better job.

Mr. REID. The original purpose of the school has been maintained, except a great many of the Government employees have found the courses useful, and have attended the courses in the school.

Mr. HUNTER. It appears to me from reading the 1953 schedule of classes that there are many courses given which do not relate at all to what you might call an in-service training program. For example, the school gives courses in physics, public administration, personnel administration, procurement, economics, agricultural economics, architecture and drafting, water-color painting, and flower arrangement.

What educational needs are met by the school which cannot be adequately met by the regular educational institutions in the area?

Mr. REID. There would have to be many adjustments in the curriculum in the institutions of the area in order to provide the courses which you have indicated.

I think, Mr. Congressman, that the courses you have read off are practical in-service training courses. There are some courses in the graduate school which give an opportunity for employees who have some experience to take work which will help them to further their educational development.

Mr. HUNTER. Well, look at the language courses: German, Italian, Spanish, for example; those courses are taught at Georgetown, George Washington, and American Universities.

Mr. REID. I am sorry that I cannot answer the question as fully as it should be. I would be glad to get Mr. Cardon to answer any questions you might desire to have answered about that.

Mr. HUNTER. I would like to have a list of the Federal property, both real and personal, that is used by the school in its operation.

(The information requested follows:)

The United States Department of Agriculture supplies the Graduate School with office space and some furniture and office equipment. The Department also supplies utilities for the offices used. At the present, the Graduate School offices occupy six bays, or rooms, in the South Agriculture Building. The Graduate School purchases some of its office equipment and all of its office supplies.

The Department of Agriculture also permits the Graduate School to use without cost its conference rooms and larger offices and their furnishings for after-hours classrooms. At the present, the Graduate School uses 49 rooms in the United States Department of Agriculture for evening classrooms. Some other Federal departments and agencies whose employees attend Graduate School classes permit the school to use their conference rooms for after-hours classrooms. The departments and agencies that supply the Graduate School with classrooms are as follows:

House Office Building	1
Commerce	6
Library of Congress	4
State	4
Interior	1
Navy	2

Mr. HUNTER. And then I would like to know what personnel in the Department of Agriculture and the General Services Administration devote a part of their time to activities of the school.

Also, how much time so devoted is paid for by the Federal Government. What contribution, if any, to the Federal Government is made out of registration fees collected from the personnel enlisted in the school.

(The information requested follows:)

At the present, 184 employees of the Department of Agriculture participate in Graduate School activities. Of this number, 69 teach in the school, 86 are members of its advisory committees, and 29 both teach and serve on advisory committees. The members of the Graduate School's advisory committees serve without compensation. These advisory committees usually hold 1 or 2 meetings a year. Graduate School instructors are paid from tuition for the after-hours classes which they teach.

No employees of the General Services Administration are assigned to the Graduate School. The Graduate School employs a part-time custodial staff to prepare rooms for classes and to clear away any debris left by the classes. A part-time elevator operator also is employed to serve classes held in the Department of Agriculture.

A list of the employees of the Department of Agriculture who either teach in the Graduate School or serve on its advisory committees follows. This list gives the agency and grade of each employee.

The Graduate School receives no appropriated funds, and it makes no contribution to the Federal Treasury from its receipts. The annual budget of the graduate school is approximately $170,000.

EMPLOYEES OF THE UNITED STATES DEPARTMENT OF AGRICULTURE WHO PARTICIPATE IN THE PROGRAMS OF THE GRADUATE SCHOOL OF THE UNITED STATES DEPARTMENT OF AGRICULTURE AS EITHER TEACHERS OR MEMBERS OF ITS ADVISORY COMMITTEES

Martin A. Abrahamsen, principal agricultural economist, Farm Credit Administration, USDA, GS–13.

Clara B. Ackerman, editor, Extension Service Review, Extension Service, USDA, GS–11.

Sidney J. Adams, administrative officer, Bureau of Agricultural and Industrial Chemistry, USDA, GS–14.

Robert E. Adcock, Chief, Training Section, Production and Marketing Administration, USDA, GS–13.

Sadye F. Adelson, Technical Assistant to the Chief, Bureau of Human Nutrition and Home Economics, USDA, GS–12.

Bushrod W. Allin, Chairman, Outlook and Situation Board, Bureau of Agricultural Economics, USDA, GS–16.

David Askegaard, assistant and director, Southeast Area Office, Rural Electrification Administration, USDA, GS–14.

Phillip F. Aylesworth, administrative officer, Office of the Secretary, USDA, GS–15.

Kenneth L. Bachman, head, Farm Classification and Analysis Section, Bureau of Agricultural Economics, USDA, GS–13.

Gladys L. Baker, agricultural historian, Bureau of Agricultural Economics, USDA, GS–13.

Tony M. Baldauf, Chief, Procurement Management Section, Office of Budget and Finance, USDA, GS–13.

Richard C. Ball, photolithographer, Office of Plant and Operations, USDA, wage board grade 18.

L. George Bartlett, reviewing examiner, Farm Credit Administration, USDA, GS–12.

N. Robert Bear, Chief, Division of Organization and Personnel Management, Office of Personnel, USDA, GS–14.

Louise O. Bercaw, assistant librarian, USDA, GS–14.

F. C. Bishopp, Assistant Chief, Bureau of Entomology and Plant Quarantine, USDA, GS–15.

Sidney F. Blake, senior botanist, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–12.

Ralph R. Botts, principal agricultural economist, Bureau of Agricultural Economics, USDA, GS–13.

John M. Brewster, marketing research analyst, Production and Marketing Administration, USDA, GS–13.

James L. Buckley, Assistant Director of Personnel, USDA, GS–15.

Glenn L. Burrows, statistical consultant, Bureau of Agricultural Economics, USDA, GS–13.

K. A. Butler, Assistant Chief for Administration, Bureau of Animal Industry, USDA, GS–15.

Theodora E. Carlson, technical editor, Office of Foreign Agricultural Service, USDA, GS–11.
Thomas B. Chambers, Chief, Engineering Division, Soil Conservation Service, USDA, GS–13.
Roy A. Chapman, mathematical statistician, Forest Service, USDA, GS–12.
Robert W. Chapline, Assistant Chief, Examination Division, Farmers Home Administration, USDA, GS–13.
Forrest E. Clements, Head, Division of Special Surveys, Bureau of Agricultural Economics, USDA, GS–14.
H. Dean Cochran, Chief, Division of Personnel Management, Forest Service, USDA, GS–14.
Mary L. Collings, in charge, Personnel Training Section, Division of Field Studies and Training, Extension Service, USDA, GS–13.
Emmett B. Collins, Chief, Division of Budgetary and Financial Reports, Office of Budget and Finance, USDA, GS–14.
Lawrence V. Compton, Chief, Biology Division, Soil Conservation Service, USDA, GS–13.
John C. Cooper, Deputy Director, Office of Budget and Finance, USDA, GS–15.
Carroll M. Cornelius, training officer, Farmers' Home Administration, USDA, GS–12.
Lynne M. Correll, personnel officer, region 7, Forest Service, USDA, GS–13.
Amy G. Cowing, extension educationist, Division of Field Studies and Training, Extension Service, USDA, GS–7.
Floyd E. Davis, Head, Livestock and Wool Division, Foreign Agricultural Service, USDA, GS–14.
D. Barton DeLoach, Associate Head, Division of Marketing and Transportation Research, Bureau of Agricultural Economics, USDA, GS–14.
P. H. DeVries, Chief, Commodity Program Division, Office of Information Services, Production and Marketing Administration, USDA, GS–14.
Wayne V. Dexter, information and editorial specialist, Bureau of Agricultural Economics, USDA, GS–13.
Henry A. Donovan, Assistant Chief, Bureau of Agricultural and Industrial Chemistry, USDA, GS–15.
E. R. Draheim, training specialist, Office of Personnel, USDA, GS–13.
Thelma A. Dreis, in charge of Nutrition Program Service, Bureau of Human Nutrition and Home Economics, USDA, GS–11.
John C. Dunegan, senior pathologist, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–13.
Geniana R. Edwards, information and education specialists, Foreign Agricultural Service, USDA, GS–11.
N. R. Ellis, biochemist, Bureau of Animal Industry, USDA, GS–13.
Erwin C. Elting, Associate Chief, Office of Experiment Stations, USDA, GS–15.
Russell C. Engberg, Chief, Economic and Credit Analysis Division, Farm Credit Administration, USDA, GS–14.
Gerald Engelman, Head of Livestock Section, Division of Marketing and Transportation Research, Bureau of Agricultural Economics, USDA, GS–13.
Joseph P. Findlay, Assistant Chief, Division of Classification, Office of Personnel, USDA, GS–13.
Thomas J. Flavin, judicial officer, Office of the Secretary, USDA, GS–16.
Kester D. Flock, training officer, Forest Service, USDA, GS–13.
Thomas D. Fontaine, Head, Biologically Active Chemical Compounds Division, Bureau of Agricultural and Industrial Chemistry, USDA, GS–13.
Richard J. Foote, analytical statistician, Bureau of Agricultural Economics, USDA, GS–13.
William J. Forsythe, information specialist, Press Service, Office of Information, USDA, GS–11.
Carl A. Fretts, Chief, Finance Division, Federal Crop Insurance Corporation, USDA, GS–14.
Frederick P. Frutchey, in charge, foreign students program, Division of Field Studies and Training, Extension Service, USDA, GS–13.
Gladys G. Gallup, in charge, Research and Training Center Section, Extension Service, USDA, GS–13.
Harry L. Carver, agricultural engineer, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–12.
Marguerite Gilstrap, information specialist, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–11.

Earl R. Glover, assistant to the Assistant Administrator for Marketing, Production and Marketing Administration, USDA, GS–14.
Wylie D. Goodsell, Head, Costs and Returns Section, Division of Farm Management and Costs, Bureau of Agricultural Economics, USDA, GS–13.
Charles L. Grant, Chief, Division of Estimates and Allotments, Office of Budget and Finance, USDA, GS–14.
Nelson P. Guidry, cartographer, Foreign Agricultural Service, USDA, GS–9.
Margaret J. Hagood, statistician, Bureau of Agricultural Economics, USDA, GS–14.
R. G. Hainsworth, principal economic geographer, Foreign Agricultural Service, USDA, GS–13.
William S. Harris, Chief, Management Improvement Division, Production and Marketing Administration, USDA, GS–14.
Austin A. Hasel, mathematical statistician, Forest Service, USDA, GS–13.
Tyler F. Haygood, principal economist, Division of Agricultural Finance, Bureau of Agricultural Economics, USDA, GS–13.
Parke G. Haynes, Chief, Division of Employment, Office of Personnel, USDA, GS–14.
Cannon C. Hearne, Head, Division of Extension Education and Training, Technical Cooperation Branch, Office of Foreign Agricultural Relations, USDA, GS–14.
Harold Hedges, Chief, Cooperative Research and Service Division, Farm Credit Administration, USDA, GS–15.
C. O. Henderson, Chief, Division of Employee Performance and Development Office of Personnel, USDA, GS–14.
Sterling B. Hendricks, Head Chemist, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–14.
Walter A. Hendricks, in charge, Methodology Section, Agricultural Estimates, Bureau of Agricultural Economics, USDA, GS–13.
Martha L. Hensley, home economist, Bureau of Human Nutrition and Home Economics, USDA, GS–9.
G. E. Hilbert, Chief, Bureau of Agricultural and Industrial Chemistry, USDA, GS–16.
Ralph E. Hodgson, Assistant Chief, Bureau of Dairy Industry, USDA, GS–15.
Hans S. Hoiberg, training officer, Rural Electrification Administration, USDA, GS–13.
John Holden, Chief, Division of Procurement and Property Management, Office of Budget and Finance, USDA, GS–14.
Richard A. Hollis, acting distribution control officer, Office of Information, USDA, GS–12.
Lance G. Hooks, Assistant Chief, Division of Marketing Programs, Office of Information Services, Production and Marketing Administration, USDA, GS–13.
Earl E. Houseman, statistical consultant, Bureau of Agricultural Economics, USDA, GS–14.
Paul E. Howe, nutrition consultant, Bureau of Animal Industry, USDA, GS–14.
George W. Irving, Jr., Assistant Chief, Bureau of Agricultural and Industrial Chemistry, USDA, GS–15.
Fred C. Jans, field agent, Western States, Extension Service, USDA, GS–13.
Sherman E. Johnson, Assistant Chief for Production Economics, Bureau of Agricultural Economics, USDA, GS–16.
H. R. Josephson, Chief, Division of Forest Economics, Forest Service, USDA, GS–14.
J. E. King, Chief, Cartographic Section, Division of Engineering, Forest Service, USDA, GS–13.
Ralph F. Koebel, Chief, General Legal Services Division, Office of the Solicitor, USDA, GS–14.
William P. Kramer, Chief, Division of Operation, Forest Service, USDA, GS–14.
Martin Kriesberg, marketing specialist, Production and Marketing Administration, USDA, GS–12.
Willard H. Lamphere, Chief, Division of Production Programs, Office of Information Services, Production and Marketing Administration, USDA, GS–14.
Robert H. Lando, management planning officer, Bureau of Agricultural Economics, USDA, GS–12.
Walter H. Larrimer, staff assistant, branch of research, Forest Service, USDA, GS–14.

William C. Laxton, Chief, Division of Classification, Office of Personnel, USDA, GS–14.
Donald C. Leavens, lieutenant, USNR, on leave from Traffic Management Division, Production and Marketing Administration, USDA, GS–13.
E. L. LeClerg, research coordinator, Agricultural Research Administration, USDA, GS–14.
Joseph P. Loftus, Chief, Fiscal Management, Office of Budget and Finance, USDA, GR–13.
Charles A. Logan, Superintendent, Office of Operations, Agricultural Research Center, USDA, GS–14.
Earl W. Loveridge, Assistant Chief, Forest Service, USDA, GS–16.
R. L. Lovvorn, Head Agronomist in Charge, Division of Weed Investigations, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–14.
John S. Lucas, Chief, Records Administration Division, Office of Plant and Operations, USDA, GS–13.
Harry F. Mabbitt, Head, Buildings and Structures Section, Engineering Division, Rural Electrification Administration, USDA, GS–13.
F. R. Mangham, Chief, Administrative Services Division, Soil Conservation Service, USDA, GS–14.
David D. Mason, biometrician, Bureau of Plant Industry, Soils and Agricultural Engineering, USDA, GS–13.
Joseph L. Matthews, in charge, Educational Research Section, Extension Service, USDA, GS–13.
Terrence W. McCabe, economist, Production and Marketing Administration, USDA, GS–12.
J. Kendall McClarren, Chief, Division of Information, Bureau of Animal Industry, USDA, GS–14.
James H. McCormick, Deputy Director, Office of Information, USDA, GS–15.
E. R. McIntyre, editor, Office of Information, USDA, GS–12.
John F. McShea, Assistant Chief Auditor, Production and Marketing Administration, USDA, GS–14.
Jesse B. McWhorter, Chief, Estimates Section, Office of Budget and Finance, USDA, GS–13.
Harry P. Mileham, Assistant Chief, Office of Extension Information, Extension Service, USDA, GS–12.
A. R. Miller, Assistant Chief, Bureau of Animal Industry, USDA, GS–15.
Roy E. Miller, Chief, Editorial Section, Division of Publications, Office of Information, USDA, GS–12.
William A. Minor, assistant to the Secretary of Agriculture, GS–15.
Verna C. Mohagen, Chief, Personnel Management Division, Soil Conservation Service, USDA, GS–14.
William L. Moore, Chief, Personnel Division, Farm Credit Administration, USDA, GS–14.
Albert H. Moseman, Chief, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–16.
Robert S. Neikirk, engineer, Technical Standards Division, Rural Electrification Administration, USDA, GS–13.
Sterling R. Newell, Assistant Chief for Agricultural Estimates, Bureau of Agricultural Economics, USDA, GS–16.
Mark L. Nichols, Chief of Research, Soil Conservation Service, USDA, GS–15.
Dorothy Nickerson, color technologist, Cotton Branch, Production and Marketing Administration, USDA, GS–12.
Constantin C. Nikiforoff, soil scientist, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–11.
Ethan A. Norton, Assistant Chief, Soil Conservation Service, USDA, GS–14.
Ruth O'Brien, Assistant Chief, Bureau of Human Nutrition and Home Economics, USDA, GS–15.
Kenneth W. Olson, Head, Division of Foreign Agricultural Information, Foreign Agricultural Service, USDA, GS–14.
Marion W. Parker, senior plant physiologist, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–14.
Harlow S. Person, consulting economist, Office of the Administrator, Rural Electrification Administration. Per diem—no grade.
Eugene J. Peterson, Assistant Chief, Personnel Management Division, Soil Conservation Service, USDA, GS–13.
Elbridge C. Purdy, Chief, Photographic Section, Office of Plant and Operations, USDA, GS–9.

C. M. Purvis, Assistant Chief, Regional Investigation Branch, Foreign Agricultural Service, USDA, GS–14.
Arthur F. Raper, social scientist, Division of Farm Population and Rural Life, Bureau of Agricultural Economics, USDA, GS–13.
Wayne D. Rasmussen, agricultural historian, Bureau of Agricultural Economics, USDA, GS–12.
Ralph S. Roberts, Director of Finance and Budget Officer, USDA, GS–16.
Mary A. Rokahr, in charge, Home Economics Section, Extension Service, USDA, GS–13.
Fred J. Rossiter, Associate Director, Foreign Agricultural Service, USDA, GS–16.
William H. Rowe, Chief, Program Development Division, Federal Crop Insurance Corporation, USDA, GS–14.
Laurel K. Sabrosky, extension analyst, Division of Field Studies and Training, Extension Service, USDA, GS–12.
Reece I. Sailer, entomologist, Bureau of Entomology and Plant Quarantine, USDA, GS–11.
J. P. Schaenzer, Head, Electro-Agriculture Section, Technical Standards Division, Rural Electrification Administration, USDA, GS–13.
Lester A. Schlup, Chief, Division of Extension Information, Extension Service, USDA, GS–14.
Ralph G. Schott, animal husbandman, Bureau of Animal Industry, USDA, GS–12.
Earl D. Sharar, management assistant, Bureau of Plant Industry, Soils, and Agricultural Engineering, GS–12.
B. T. Shaw, research administrator, Agricultural Research Administration, USDA, GS–18.
Ralph R. Shaw, librarian, USDA, GS–15.
Warran C. Shaw, agronomist, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–11.
E. H. Siegler, senior entomologist, Bureau of Entomology and Plant Quarantine, USDA, GS–12.
D. Harper, Simms, Chief, Information and Education Division, Soil Conservation Service, USDA, GS–14.
C. S. Slater, Project Supervisor, Research Division, Soil Conservation Service, USDA, GS–12.
Stancil M. Smith, Chief, Division of Accounting and Audit, Office of Budget and Finance, USDA, GS–14.
Margaret M. Smoot, editor, Bureau of Agricultural and Industrial Chemistry, USDA, GS–7.
Joseph M. Snyder, Chief, Cartographic Division, Soil Conservation Service, USDA, GS–13.
H. M. Southworth, agricultural economist, Bureau of Agricultural Economics, USDA, GS–15.
Frank H. Spencer, Assistant Administrator, Agricultural Research Administration, USDA, GS–15.
James H. Starkey, administrative officer, Office of Organization and Personnel Management, Agricultural Research Administration, USDA, GS–14.
B. Ralph Stauber, Chief, Division of Agricultural Price Statistics, Bureau of Agricultural Economics, USDA, GS–14.
J. Gordon Steele, Head, Survey Analysis Section, Soil Conservation Service, USDA, GS–12.
Edmund Stephens, Assistant Chief, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–15.
Henry Stevens, in charge, Chemical Investigations of Allergens in Agricultural Products, Bureau of Agricultural and Industrial Chemistry, USDA, GS–14.
Joseph F. Sykes, physiologist, Bureau of Dairy Industry, USDA, GS–13.
Virginia G. Tatum ,information specialist ,Bureau of Agricultural and Industrial Chemistry, USDA, GS–11.
Frank L. Touton, Director of Information, Bureau of Agricultural and Industrial Chemistry, USDA, GS–13.
Franklin Thackrey, Director of Economic Information, Bureau of Agricultural Economics, USDA, GS–14.
James E. Thigpen, Director, Tobacco Branch, Production and Marketing Administration, USDA, GS–15.
John H. Thurston, administrative officer, Office of the Secretary, USDA, GS–13.
Thomas T. Townsend, Chief, Salary Administration Section, Office of Personnel, USDA, GS–13.

Harry C. Trelogan, Assistant Research Administrator, Agricultural Research Administration, USDA, GS–16.
G. E. Van Leer, personnel officer, Farm Credit Administration, USDA, GS–12.
Norman J. Wall, Head, Division of Agricultural Finance, Bureau of Agricultural Economics, USDA, GS–14.
Robert M. Walsh, Deputy Director, Fats and Oils Branch, Production and Marketing Administration, USDA, GS–15.
Frederick V. Waugh, Assistant Chief, Bureau of Agricultural Economics, USDA, GS–16.
R. Lyle Webster, Director, Office of Information, USDA, GS–16.
Martin G. Weiss, agronomist, Division of Forage Crops and Diseases, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–13.
Everett C. Weitzell, program analyst, Rural Electrification Administration, USDA, GS–15.
John L. Wells, Assistant Director of Finance, Office of Budget and Finance, USDA, GS–14.
Oris V. Wells, Chief, Bureau of Agricultural Economics, USDA, GS–18.
Joseph C. Wheeler, Deputy Director of Finance, Office of Budget and Finance, USDA, GS–15.
Bennett S. White, Jr., Chief, Division of Marketing and Transportation Research, Bureau of Agricultural Economics, USDA, GS–14.
H. W. Whitlock, engineer, in charge of cartography, Division of Soil Survey, Bureau of Plant Industry, Soils, and Agricultural Engineering, USDA, GS–13.
M. L. Wilson, Director of Extension Work, USDA, GS–15.
Meredith C. Wilson, Chief, Division of Field Studies and Training, Extension Service, USDA, GS–14.
R. Y. Winters, Assistant for Production and Utilization, Agricultural Research Administration, USDA, GS–14.
William T. Wolfrey, Jr., Assistant to the Chief, Bureau of Agricultural Economics, USDA, GS–14.
Marshall S. Wright, Assistant to the Director, Office of Plant and Operations, USDA, GS–13.
Norbert L. Young, color photographer, Office of Plant and Operations, USDA, GS–6.

Mr. HUNTER. And in the statement, please give the amount of non-Federal funds used in the operation of the school?

Mr. ANDERSEN. Mr. Hunter, would it be satisfactory if we have full answers supplied to your questions?

Mr. HUNTER. Oh, yes; I did not intend that we take the time to do it now.

Mr. ANDERSEN. That is perfectly all right; and it is a good subject to bring up. Personally, from what I have heard, I have had no objection to it, but at the same time I think we should have it discussed in the record.

Mr. ROBERTS. Mr. Hunter, I believe there is a letter on its way to you that will answer some of these questions. It may be that additional information will have to be supplied, and we will be glad to supply that for the record.

Mr. HUNTER. Thank you.

(The letter concerning the graduate school from the Honorable True D. Morse, Acting Secretary of Agriculture, to Congressman Hunter, on April 17, 1953, is as follows:)

APRIL 17, 1953.

Hon. OAKLEY HUNTER,
Appropriations Committee,
House of Representatives, Washington, D. C.

DEAR MR. HUNTER: This reply to your letter of March 5, 1953, addressed to Mr. Earl Coke in reference to the graduate school of the Department of Agriculture, has required more time than we anticipated, owing in part to the advisability

of having the assembled information checked by the director of the school, who has just returned to Washington after a temporary absence. This unavoidable delay is regretted.

Regulations governing the graduate school are issued periodically by the Secretary. A copy of the most recent issue, dated February 21, 1947, is enclosed.

The graduate school, founded in 1921, is an unofficial agency of this Department and is under its general supervision and direction, but receives no appropriated funds. The Secretary of Agriculture appoints the general administration board of the graduate school, which employs its director, assistant director, and treasurer. The director employs the other members of the graduate-school staff. The general administration board also formulates the general policies of the school and generally supervises its administration. The administrative staff members of the graduate school are not employees of the Department of Agriculture and are not paid from the Department's funds. At the present, the administrative staff of the graduate school includes 9 full-time and 3 part-time persons. All of these employees are paid from tuition received by the school.

The administrative staff of the graduate school is assisted by a number of voluntary committees which advise it in regard to curriculum and the selection of teachers. These advisory committees rarely meet oftener than twice a year for periods seldom exceeding 2 hours. At present, these committees include some 200 persons drawn from most of the agencies of the Government. All members of these advisory committees serve without pay.

The graduate school does not have any full-time faculty members. Its faculty consists of approximately 300 individuals, most of whom teach 1 or 2 courses a year. All of the graduate-school classes meet after official hours, and the teachers are paid from funds derived from tuition. A list of employees of this Department who either teach in the graduate school or serve on its committees is enclosed. Of the employees listed, 86 serve only on committees, 69 serve only on teaching staff, whereas the others—29—serve in both capacities. You are correct in your statement that the graduate school receives no appropriated funds. The Department of Agriculture, however, supplies the school with a small amount of office space, some office equipment, and, of course, the utilities used by those offices. The Department also permits the school to use its available conference rooms and offices for after-hours classes without charge. This assistance, consistent with the regulations, is provided to the graduate school by the Department under the authority of the act of May 15, 1862 (R. S. sec. 520 (1878), 5 U. S. C. sec. 511 (1940)), the joint resolution of April 12, 1892, 27 Stat. 395, and the Deficiency Appropriation Act of March 3, 1901, 31 Stat. 1010, 1039 (20 U. S. C. sec. 91 (1940)).

The costs of operation, other than those covered by facilities and resources supplied by the Department, are borne by the graduate school. They include administrative salaries, teachers' salaries, supplies, equipment, some custodial services, postage (except interdepartmental mail service), travel and subsistence, library books, and publications.

Tuition fees constitute the source of 95 percent of the operating funds available to the graduate school. Returns from investments and from the sale of textbooks constitute the other 5 percent.

The graduate school does not grant degrees, nor is all of its work graduate. Some is distinctly less than graduate. Many of the courses which the graduate school offers are of a kind not usually given by colleges and universities in this area. These courses offer specific training for a given type of Government work. Other courses are organized to meet an immediate need of the Federal service and are not offered on a continuing basis. Still other courses, while approximating the offerings of educational institutions in this area, are provided by the graduate school to employees who presently would not qualify for entrance to a degree-granting institution. Finally, while certain graduate-school courses may duplicate offerings by other institutions, our policy is to avoid unnecessary duplication.

In planning its curriculum the graduate school cooperates with the educational institutions of the area as fully as possible. An example of such cooperation is the cooperative arrangement made by the graduate school and the University of Maryland under which certain resources of each institution are made available to students of both. The dean of the graduate school of the University of Maryland is a member of an advisory committee of the graduate school. Another instance of graduate school cooperation with other educational institutions is its cooperative internship program with the land-grant colleges and universities, which is not yet as large as we should like to see it, but is developing. Under this

program, postgraduate and postdoctoral personnel in the land-grant institutions are afforded when possible opportunities for research and other experience in the Department of Agriculture. This program is being developed by a committee from the land-grant colleges and universities and the graduate school. The graduate school also draws some faculty members from the local educational institutions and students sometimes are sent to it from them.

More than 90 percent of the graduate school students are in the Federal service. Graduate school classes are open to the public insofar as facilities permit. The graduate school does not encourage the enrollment in its classes of persons seeking degrees. It refers them to degree-granting institutions. Some 40 percent of the graduate-school students already have degrees of some kind and few of the other students are interested in obtaining degrees. The emphasis of the graduate school is on training for Federal service, not on liberal arts or professional programs.

The graduate school throughout its 32 years has been a useful adjunct of the Department of Agriculture and has been the source of good training for thousands of employees of this and of other departments and agencies. It is regarded as an employee activity which has merited continued encouragement.

Your interest in the graduate school is appreciated and I trust that the information supplied herein has answered the questions asked in your letter. I shall be glad to supply additional information on the graduate school if you desire it.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

RECLASSIFICATIONS

Mr. MARSHALL. I am interested in some of the comments about reclassification of grades by the Civil Service Commission. I wonder if it would be possible to have placed in the record, Mr. Chairman, the grades that were increased, and decreased by action of the Civil Service Commission in the Department of Agriculture during the past year?

Mr. BUCKLEY. We could get that information, but we would have to go to other agencies in order to get a complete statement.

(The information requested follows:)

TABLE OF GRADE ADJUSTMENTS THROUGH UNITED STATES CIVIL SERVICE COMMISSION ACTION IN UNITED STATES DEPARTMENT OF AGRICULTURE, JANUARY 1 TO DECEMBER 31, 1952

There follows below a tabulation of the number and nature of grade adjustments made by the United States Civil Service Commission on Washington and field positions during the period January 1 to December 31, 1952, inclusive. Positions audited during 1952 but not finally adjusted until March 1953 are also included in this tabulation. No positions are included which were restored to existing grades with approval of the Commission through reorganization or realinement of work following postaudit action.

WASHINGTON

Grade adjustments	Number of cases	Nature of action
GS–14 increased to GS–15	5	Employee appeal.
GS–9 increased to GS–11	1	Postaudit.
GS–14 reduced to GS–13	2	1 by postaudit; 1 by advisory allocation.
GS–4 reduced to GS–3	1	Postaudit.
Total (6 were increases)	9	

FIELD

GS–7 increased to GS–9	1	Postaudit
GS–5 increased to GS–7	4	1 job review at request of Member of Congress; 3 by postaudit.
GS–4 increased to GS–5	1	Postaudit.
GS–3 increased to GS–4	1	Do.
GS–14 reduced to GS–13	1	Advisory allocation.
GS–9 reduced to GS–8	1	Postaudit.
GS–9 reduced to GS–7	1	Do.
GS–9 reduced to GS–5	1	Do.
GS–7 reduced to GS–6	2	Do.
GS–5 reduced to GS–4	4	Do.
GS–4 reduced to GS–3	4	Do.
GS–3 reduced to GS–2	4	Do.
GS–2 reduced to GS–1	1	Do.
Total (7 were increases)	26	

Mr. ANDERSEN. Thank you very much, gentlemen; we are glad to have had you with us.

FRIDAY, APRIL 17, 1953.

CONTROL OF FOREST PESTS

WHITE PINE BLISTER RUST

WITNESSES

DR. M. R. CLARKSON, DEPUTY RESEARCH ADMINISTRATOR, AGRICULTURAL RESEARCH ADMINISTRATION
DR. W. L. POPHAM, ASSISTANT CHIEF, BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE
HENRY G. HERRELL, DEPUTY ASSISTANT CHIEF (ADMINISTRATION), BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE
EDWARD P. CLIFF, ASSISTANT CHIEF, FOREST SERVICE
I. J. MASON, CHIEF, DIVISION OF TIMBER MANAGEMENT, FOREST SERVICE
JOHN F. SHANKLIN, CHIEF, LAND USE MANAGEMENT, DEPARTMENT OF THE INTERIOR
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$6,000,000	$6,649,434	$7,350,000
Transferred to—			
"Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," pursuant to Public Law 451		−172,800	
"Salaries and expenses, Forest Service," pursuant to 5 U. S. C. 572	−50,000		
Adjusted appropriation or estimate	5,950,000	6,476,634	7,350,000
Reimbursements from non-Federal sources	30,395	7,600	7,600
Reimbursements from other accounts	85,387		
Total available for obligation	6,065,782	6,484,234	7,357,600
Unobligated balance, estimated savings	−643,710		
Obligations incurred	5,422,072	6,484,234	7,357,600

NOTE.—Reimbursements from non-Federal sources above are from payments by agencies for forest pest-control work performed on State and private lands under terms of written cooperative agreements (16 U. S. C. 594–4); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. Forest Pest Control Act:			
(a) Detection and appraisal surveys	$278,746	$430,000	$430,000
(b) Operations to control destructive forest pests on land irrespective of ownership	1,837,260	2,247,200	2,420,000
(c) Contingency fund		500,000	500,000
Subtotal	2,116,006	3,177,200	3,350,000
2. White pine blister rust:			
(a) Leadership, coordination, and technical direction of white pine blister rust control (Entomology and Plant Quarantine)	672,600	681,482	682,000
(b) Blister rust control operations on the national forests (Forest Service)	1,691,586	1,750,000	2,150,000
(c) Blister rust control operations on lands under jurisdiction of the Department of the Interior (Department of the Interior)	490,155	504,952	505,000
(d) Cooperative blister rust control on State and privately owned lands (Entomology and Plant Quarantine)	335,943	363,000	663,000
Subtotal	3,190,284	3,299,434	4,000,000
3. Obligations under reimbursements from non-Federal sources	30,395	7,600	7,600
Total direct obligations	5,336,685	6,484,234	7,357,600
Obligations Payable Out of Reimbursements From Other Accounts			
1. Forest Pest Control Act:			
(a) Detection and appraisal surveys	361		
(b) Operations to control destructive forest pests on lands irrespective of ownership	2,182		
Subtotal	2,543		
2. White pine blister rust:			
(a) Leadership, coordination, and technical direction of white pine blister rust control (Entomology and Plant Quarantine)	2,495		
(b) Blister rust control operations on the national forests (Forest Service)	1,675		
(c) Blister rust control operations on lands under jurisdiction of the Department of the Interior (Department of the Interior)	1,169		
(d) Cooperative blister rust control on State and privately owned lands (Entomology and Plant Quarantine)	77,505		
Subtotal	82,844		
Total obligations payable out of reimbursements from other accounts	85,387		
Obligations incurred	5,422,072	6,484,234	7,357,600

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	300	309	321
Full-time equivalent of all other positions	559	711	886
Average number of all employees	900	1,069	1,252
Average salaries and grades:			
General schedule grades:			
Average salary	$4,587	$4,651	$4,629
Average grade	GS-6.5	GS-6.6	GS-6.5
Personal service obligations:			
Permanent positions	$1,539,816	$1,635,867	$1,657,084
Part-time and temporary positions	1,632,054	2,094,173	2,588,700
Regular pay in excess of 52-week base	6,035	6,302	6,471
Payment above basic rates	162,912	169,208	166,024
Total personal service obligations	3,340,817	3,905,550	4,418,279
Direct Obligations			
01 Personal services	3,263,171	3,905,550	4,418,279
02 Travel	154,149	252,391	227,555
03 Transportation of things	42,550	54,033	60,780
04 Communication services	19,698	22,789	24,215
05 Rents and utility services	55,497	64,309	69,915
06 Printing and reproduction	5,850	6,175	6,250
7 Other contractual services	891,249	684,215	771,065
Services performed by other agencies	151,305	156,354	156,554
08 Supplies and materials	563,503	660,384	888,263
09 Equipment	213,197	190,945	229,250
13 Refunds, awards, and indemnities	618		
15 Taxes and assessments	28,229	34,589	44,676
Contingency fund		500,000	500,000
Subtotal	5,389,016	6,531,734	7,396,802
Deduct charges for quarters and subsistence	52,331	47,500	39,292
Total direct obligations	5,336,685	6,484,234	7,357,600
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	77,646		
02 Travel	1,109		
07 Other contractual services	761		
08 Supplies and materials	5,871		
Total obligations payable out of reimbursements from other accounts	85,387		
Obligations incurred	5,422,072	6,484,234	7,357,600

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$1,915,138	$1,434,496	$1,601,930
Obligations incurred during the year	5,422,072	6,484,234	7,357,600
	7,337,210	7,918,730	8,959,530
Deduct:			
Reimbursable obligations	115,782	7,600	7,600
Unliquidated obligations, end of year	1,434,496	1,601,930	1,765,530
Adjustment in obligations of prior years	137,792		
Obligated balance carried to certified claims account	2,583		
Total expenditures	5,646,557	6,309,200	7,186,400
Expenditures are distributed as follows:			
Out of current authorizations	3,920,748	4,906,200	5,645,000
Out of prior authorizations	1,725,809	1,403,000	1,541,400

Mr. ANDERSEN. The committee will next consider the budget for white pine blister rust. We have before us Dr. W. L. Popham, Assistant Chief, Bureau of Entomology and Plant Quarantine.

As I recall, we postponed discussion of this item when we considered the appropriation for control of forest pests earlier, in view of probable changes under the revised budget. Will you insert at this point a statement showing the original and revised estimates, Dr. Popham.

(The information requested follows.)

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Forest Pest Control Act:				
(a) Detection and appraisal surveys	$430,000	$430,000	$430,000	
(b) Operations to control destructive forest pests on lands irrespective of ownership	[1] 2,420,000	2,420,000	2,420,000	
(c) Contingency fund	500,000	500,000	500,000	
Subtotal	[1] 3,350,000	3,350,000	3,350,000	
2. White pine blister rust:				
(a) Leadership, coordination, and technical direction of white pine blister rust control (Entomology and Plant Quarantine)	681,482	682,000	682,000	
(b) Blister rust control operations on the national forests (Forest Service)	1,750,000	2,150,000	1,750,000	−$400,000
(c) Blister rust control on lands under jurisdiction of Interior Department (Department of the Interior)	504,952	505,000	505,000	
(d) Cooperative blister rust control on State and privately owned lands (Entomology and Plant Quarantine)	363,000	663,000	363,000	−300,000
Subtotal	3,299,434	4,000,000	3,300,000	−700,000
Total available or estimate	6,649,434	7,350,000	6,650,000	−700,000
Reduction pursuant to sec. 412	+566			
Total appropriation or estimate	[1] 6,650,000			

[1] Includes $172,800 ltransferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricutural Research Administration" for the control and eradication of vesicular exanthema of swine, in connection with which the Secretary of Agriculture declared a state of emergency on Aug. 1, 1952.

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $700,000 in this item below the original budget estimate consists of elimination of increase of $700,000 in original budget to expand control operations in the Northwest on national forest lands and on State and private lands adjacent to or intermingled with Federal lands.

Mr. ANDERSEN. Dr. Popham, give us a brief description of the white pine blister rust program and discuss the change between the original and revised budget.

SPREAD OF WHITE PINE BLISTER RUST

Dr. POPHAM. I have a few photographs here which are among the best I have seen showing trees infected with white pine blister rust. This is an introduced disease caused by a fungus disease that spends part of its life on the pine, and the rest on certain species of ribes, that is wild gooseberries and currants.

When the fungus was introduced to this country it found these plants growing in association. In other words, where the better white

pine stands existed there were also wild gooseberries and wild currants. The setup was perfect for the disease to develop and spread.

It has now spread pretty well throughout the range of white pine in this country. It is a killer, although somewhat slower than some of the other diseases of trees that we are familiar with such as chestnut blight, but it kills young growth quickly, and attacks trees of all ages. Once a stand of white pine reaches 60 or 80 years of age there is a good chance that it will mature before severe damage occurs. However, there will be very few pine seedlings survive in an area where rust is prevalent.

At first it was thought that there might be a possibility of eradicating this disease, but the initial survey indicated that it was quite widespread before its discovery in this country, and any effort at eradication would not be a practical undertaking. It, therefore, became a case of determining where the better pine sites were and to undertake to protect them from rust.

CONTROL AREAS

This approach to the problem has resulted in the creation of control areas totalling about 26 million acres. Of these 26 million acres, about 62 percent are now initially protected from rust and future damage should not be severe if there is just a reasonable amount of attention given to these areas to keep them on maintenance.

The disease was first introduced in the Northeast, where there are now about 18 million acres of pine included in control areas. About 76 percent of this is now initially protected, and will require only maintenance attention in the future.

In the West the situation is somewhat different. The rust reached that area later. Much of the western pine, of course, is in mountainous areas which are quite inaccessible. It is a much more difficult type of control operation, and the cost is considerably more. In the West, much of the area receiving attention is on Federal lands, while in the eastern part of the country it is mostly on State and private lands. There have been some substantial improvements in the methods of blister rust control over the years.

MANNER OF ELIMINATING RIBES

Mr. ANDERSON. At that point, Doctor, you will recall that the committee has constantly urged that less costly methods of eliminating ribes be found. You might discuss that at this point.

Dr. POPHAM. I will be glad to, sir.

Perhaps one of the most important steps in recent years has been the development of herbicides that are effective against many species of ribes and their use in the eradication effort.

We have learned to contract a considerable portion of the control work in the West.

That has become possible as men who were previously employed on the project and who were familiar with current methods of control, have shown interest in this type of operation and a willingness to carry out control measures on a contract basis.

PROPAGATION OF RESISTANT PINES

There is under way now an intensive study with a view to developing or propagating resistant pines. While any discoveries along this line would not have an immediate effect on the program, it is something that may be quite significant in the future. In other words, if pines can be developed that have the quality of wood that is desirable and they are resistant to rust, they, of course, would be used for future plantations.

In the West, as I pointed out, the work centers pretty largely on lands under the jurisdiction of the Federal Government, and on the better pine sites on State and private lands adjacent to those areas. Work is extended to State and private lands where there is State and local cooperation.

We have just been advised that the State of Idaho has increased their appropriation for White Pine blister rust for the next biennium, to $75,000.

Mr. ANDERSEN. You will recall, Doctor, that last year we criticized the fact that the State of Idaho itself has been doing very little on this.

Mr. LAIRD. Are they appropriating $37,500 per year; is that all they are putting up?

Dr. POPHAM. Yes, that is the State appropriation. In addition to that the private owners are assessing themselves on the basis of acreage under their control to the extent of 3 cents an acre annually, which goes into the fund for blister-rust control.

Mr. ANDERSEN. How much does that amount to?

Dr. POPHAM. That amounts now to about $24,000 annually.

Mr. ANDERSEN. Did not the State of Idaho put up $52,000 for 1 year?

Dr. POPHAM. That was the State appropriation and other sources.

Mr. ANDERSEN. And you say for the next biennium only $75,000 is being put up?

Dr. POPHAM. No; $75,000 by appropriation.

Mr. ANDERSEN. And how much do you estimate from private sources?

Dr. POPHAM. About $24,000.

Mr. ANDERSEN. In 2 years?

Dr. POPHAM. No; annually.

This does not take into consideration where the pine owners themselves are actually out doing some work on their own, Mr. Chairman. The $75,000 is appropriated by the State of Idaho for the coming biennium and the $24,000 represents funds collected as a result of timber owners assessing their holdings at the rate of 3 cents per acre. This amount becomes available on an annual basis.

REVISION IN ESTIMATE

Mr. ANDERSEN. Now, Doctor, will you discuss the revision in the estimate?

Dr. POPHAM. Yes, sir.

The base appropriation for white pine blister-rust control was $3,300,000, and the original estimate was $4 million.

Recognizing that there was an urgent need for economy, consideration was given to this item on the basis that there is an aggressive and effective program in operation. The question is a matter of timing.

With available funds these control areas are being freed of bushes as rapidly as possible.

Mr. ANDERSEN. The revised estimate then will give you the same amount that was provided for the 1953 fiscal year; is that not right?

Dr. POPHAM. That is right, yes, sir.

Mr. CLIFF. Mr. Chairman, I would like to give the committee a progress report on one of the projects we testified on earlier.

Mr. ANDERSEN. We will be glad to have it, Mr. Cliff.

SPRUCE BUDWORM IN MONTANA

Mr. CLIFF. It has to do with the spruce budworm control project in Montana. That is a project that we did some work on last summer on an experimental control basis.

It involves the spraying of a total of 183,000 acres of heavily infested Douglas timber this fiscal year, mostly, in eastern Montana.

When I testified several weeks ago I told you that we would endeavor to get State and private cooperation to help finance that part of the job that was on intermingled and adjacent State and private lands.

Our men in the field have succeeded in getting the State of Montana to agree to finance 100 percent of the cost on the State lands, and the State and private interests to finance 50 percent of the cost on private lands which are intermingled with Federal lands.

We were trying to get a bigger State and private contribution on the private lands, but were not successful.

However, those lands are so intermingled with Federal lands that it is necessary to do control work on them to protect the timber on Federal lands. So, we have authorized the region to go ahead on the program, but have urged them to reconsider the program and pull in the boundaries where it can be done without endangering the Federal lands in that area.

Mr. ANDERSEN. Thank you, Mr. Cliff. We are glad to have that progress report.

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

FRIDAY, APRIL 17, 1953.

WITNESSES

DR. M. R. CLARKSON, DEPUTY RESEARCH ADMINISTRATOR, AGRICULTURAL RESEARCH ADMINISTRATION
A. S. HOYT, CHIEF, BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE
DR. W. L. POPHAM, ASSISTANT CHIEF, BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE
HENRY G. HERRELL, DEPUTY ASSISTANT CHIEF (ADMINISTRATION), BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE
MRS. M. W. SYFRIG, BUDGET OFFICER, BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

Mr. ANDERSEN. Gentlemen, we will consider next the control programs of the Bureau of Entomology and Plant Quarantine.

Revised Estimates

In view of the probable changes under the revised budget we delayed discussion of these programs when this Bureau was before us earlier. We will insert at this point the revised schedules for the entire Bureau together with a statement comparing the original and revised estimates.

(The material referred to follows:)

Salaries and expenses

	Insect investigations	Insect and plant disease control	Plant quarantines	Total
Appropriation Act, 1953	$3,869,000	$5,600,000	$2,700,000	$12,169,000
Reductions pursuant to:				
Sec. 411	−1,040			−1,040
Sec. 412		−592		−592
Transfer in 1954 estimates from:				
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration," for research on methods for eradication of the screwworm through use of radiant energy	5,000			5,000
"Salaries and expenses, Office of Administrator, Agricultural Research Administration," for services at the Agricultural Research Center	15,800			15,800
Base for 1954	3,888,760	5,599,408	2,700,000	12,188,168
Revised budget estimate, 1954	4,076,900	4,923,100	2,800,000	11,800,000
Increase or decrease	+188,140	−676,308	+100,000	−388,168

Summary of increases and decreases, 1954

Insect investigations:

To strengthen research on entomological problems, such as control of the pink bollworm of cotton, biological control, and stored product insects ..... +$288,140

Decrease in research on the Japanese beetle, consistent with the revocation of Federal quarantine and consequent curtailment of control program ..... −100,000

Insect and plant disease control:

Decrease due to discontinuance of Federal quarantine against the Japanese beetle and consequent lessening of Federal participation in the control and regulatory program ..... −332,700

Decrease due to elimination of Federal participation in certain phases of the sweetpotato weevil-control programs, including enforcement of non-potato-growing areas and the education program ..... −188,100

Decrease due to elimination of the eradication program on phony peach and peach mosaic ..... −156,100

To round off estimate ..... +592

Plant quarantines:

To strengthen inspection staffs at strategic ports of entry to guard against introduction and spread of injurious plant pests .. +100,000

Project statement

Project	1952	1953, estimated	Increases or decreases	1954 revised, estimated
1. Insect investigations:				
(a) Insects affecting food, feed, and fiber crops	$2,714,973	$2,690,260	+$188,140	$2,878,400
(1) Fruit insects	(841,288)	(837,700)	(−100,000)	(737,700)
(2) Truck crop and garden insects	(481,486)	(465,500)	----------	(465,500)
(3) Cereal and forage insects	(574,876)	(563,100)	----------	(563,100)
(4) Cotton insects	(269,112)	(284,100)	(+100,000)	(384,100)
(5) Bee culture and biological control	(311,504)	(358,260)	(+88,140)	(446,400)
(6) Stored product insects	(236,707)	(181,600)	(+100,000)	(281,600)
(b) Insects affecting forests and forest products	462,412	465,600	----------	465,600
(c) Insects affecting man and animals	235,224	239,400	----------	239,400
(d) Plant pest control investigations	411,397	493,500	----------	493,500
(1) Identification and classification of insects	(183,347)	(204,300)	----------	(204,300)
(2) Insecticide and fungicide	(228,050)	(289,200)	----------	(289,200)
Subtotal	3,824,006	[1] 3,888,760	+188,140	4,076,900
2. Insect and plant disease control:				
(a) Japanese beetle control	500,947	482,700	−332,700	150,000
(b) Sweetpotato weevil control	238,069	238,000	−188,100	49,900
(c) Citrus blackfly and Mexican fruitfly control	256,020	226,500	----------	226,500
(d) Phony peach and peach mosaic eradication	158,834	156,100	−156,100	----------
(e) Barberry eradication	674,224	658,000	----------	658,000
(f) Pink bollworm and Thurberia weevil control	1,237,252	1,214,900	----------	1,214,900
(g) Golden nematode control	311,897	344,900	----------	344,900
(h) White-fringed beetle control	703,740	682,400	----------	682,400
(i) Hall scale eradication	108,245	117,200	----------	117,200
(j) Gypsy and browntail moth control	584,948	526,600	----------	526,600
(k) Grasshopper and Mormon cricket control	549,627	566,108	+592	566,700
(l) Insect detection and advisory service	236,151	386,000	----------	386,000
Subtotal	5,559,954	[2] 5,599,408	−676,308	4,923,100
3. Plant quarantines	2,732,634	2,700,000	+100,000	2,800,000
Unobligated balance	284,394	----------	----------	----------
Total available or estimate	12,400,988	12,188,168	−388,168	11,800,000
Transferred in 1953 to "Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration," animal research	+8,000	----------		
Transfer in 1953 estimates from "Control of emergency outbreaks of insects and plant diseases, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration"	−785,778	----------		
Transfer in 1954 estimates from:				
"Salaries and expenses, Bureau of Plant Industry Soils, and Agricultural Engineering, Agricultural Research Administration," plant, soil, and agricultural engineering research	----------	−5,000		
"Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−17,210	−15,800		
Reductions pursuant to secs. 411 and 412	----------	+1,632		
Total appropriation or estimate	11,606,000	12,169,000		

[1] Excludes $73,000 transferred from "Insect and plant disease control" for research on pink bollworm and biological control, 1953 only.

[2] Includes $73,000 transferred to "Insect investigations." See note 1 above.

Comparison of original and revised budget estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. Insect investigations:				
(*a*) Insects affecting food, feed, and fiber crops	$2,690,260	2,991,500	2,878,400	−113,100
(1) Fruit insects	(837,700)	(837,700)	(737,700)	(−100,000)
(2) Truck crop and garden insects	(465,500)	(465,500)	(465,500)	
(3) Cereal and forage insects	(563,100)	(563,100)	(563,100)	
(4) Cotton insects	(284,100)	(384,100)	(384,100)	
(5) Bee culture biological control	(378,260)	(459,500)	(446,400)	(−13,100)
(6) Stored product insects	(181,600)	(281,600)	(281,600)	
(*b*) Insects affecting forests and forest products	465,600	465,600	465,600	
(*c*) Insects affecting man and animals	239,400	239,400	239,400	
(*d*) Plant pest control investigations	493,500	493,500	493,500	
(1) Identification and classification of insects	(204,300)	(204,300)	(204,300)	
(2) Insecticide and fungicide	(289,200)	(289,200)	(289,200)	
Subtotal	3,888,760	4,190,000	4,076,900	−113,100
2. Insect and plant disease control:				
(*a*) Japanese beetle control	482,700	482,700	150,000	−332,700
(*b*) Sweetpotato weevil control	238,000	238,000	49,900	−188,100
(*c*) Citrus blackfly and Mexican fruitfly control	226,500	226,500	226,500	
(*d*) Phony peach and peach mosaic eradication	156,100	156,100		−156,100
(*e*) Barberry eradication	658,000	658,000	658,000	
(*f*) Pink bollworm and Thurberia weevil control	1,214,900	1,214,900	1,214,900	
(*g*) Golden nematode control	344,900	344,900	344,900	
(*h*) White-fringed beetle control	682,400	682,400	682,400	
(*i*) Hall scale eradication	117,200	117,200	117,200	
(*j*) Gypsy and brown-tail moth control	526,600	526,600	526,600	
(*k*) Grasshopper and Mormon cricket control	566,108	566,700	566,700	
(*l*) Insect detection and advisory service	386,000	386,000	386,000	
Subtotal	5,599,408	5,600,000	4,923,100	−676,900
3. Plant quarantines	2,700,000	2,800,000	2,800,000	
Estimated savings and unobligated balance				
Total available or estimate	12,188,168	12,590,000	11,800,000	−790,000
Transfer in 1954 estimates from:				
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration," plant, soil, and agricultural engineering research	−5,000			
"Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−15,800			
Reductions pursuant to secs. 411 and 412	+1,632			
Total appropriation	12,169,000			

EXPLANATION OF PROPOSED REDUCTIONS BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $790,000 in this item below the original budget estimate consists of the following:

Insect investigations

(1) Reduction of $113,100 under the project "Insects affecting food, feed, and fiber crops" consisting of (*a*) curtailment of research on the Japanese beetle by $100,000 below amount available in 1953; and (*b*) reduction of $13,100 due to partial elimination of the original increase of $101,240 for biological control work.

Insect and plant disease control

(2) Reduction of $332,700 under the project "Japanese beetle control" below amount available in 1953 due to discontinuance of the Federal quarantine.

(3) Reduction of $188,100 under the project "Sweetpotato weevil control" below amount available in 1953 due to curtailment of Federal participation in the program.

(4) Reduction of $156,100 under the project "Phony peach and peach mosaic eradication" due to elimination of the project.

General Statement

Mr. Andersen. Now, Mr. Hoyt, will you describe each control program briefly, indicate the amounts for each in the original and revised budget estimates, and explain the reasons for any changes between the two?

JAPANESE BEETLE CONTROL

Mr. Hoyt. Yes, Mr. Chairman. The first one that appears in our explanatory notes, on page 1, is the Japanese beetle control project.

This program has been in operation for a number of years. It consists of a Federal quarantine promulgated by the Secretary of Agriculture for the purpose of delaying, as much as possible, the spread of the Japanese beetle. It consists of the operation and the enforcement of the quarantine, surveys to determine the whereabouts of the insect, and the application of suppressive measures in cooperation with the States at any point of infestation.

The amount involved in the original estimate was $482,700, and in the revised estimate it is $150,000.

REASON FOR DECREASE

Mr. Andersen. What was the reason for that quite severe decrease? I personally have had a lot of protest about this cut on the grounds that the various States affected had been unable to anticipate it through action by their various legislatures.

Mr. Hoyt. The difference in the estimates, between the original estimate and the revised one, contemplates the revocation of the Federal quarantine and that the States will be furnished with information as to the distribution and abundance of the Japanese beetle through the operation of a continuing survey that would be carried on by means of this $150,000.

The possibility that this type of change might come about has been under discussion with the State officials for some time—over 2 years. In that time we have discussed with them the possibility of establishing State quarantines for the protection of those States that desire to continue protection.

We have pointed out that there are available means of controlling this pest now; that there is information available whereby a farmer can produce his crops in the presence of the Japanese beetle; and that there are means for the protection of uninfested areas through the application of suppressive measures in the generally infested area, so that we believe that it is possible to make this change at this time and have the States accept the responsibility that goes with it without any hardship to anyone.

Mr. Andersen. Do you not think that you are a little bit abrupt in doing away with that program without more advance notice to those affected, Mr. Hoyt?

Mr. Hoyt. No; I do not think it is abrupt. I do not see how you can make a change of this sort——

Mr. Andersen (interposing). Did you defend this original budget last fall?

Mr. Hoyt. Yes, Mr. Chairman, we were responsible for the original budget, and now we are responsible for the revised budget.

Mr. ANDERSEN. Do you not think that such a change in viewpoint is a little abrupt?

Mr. HOYT. That puts us in the position——

Mr. ANDERSEN (interposing). It certainly puts you in a peculiar position. Will you tell the committee why you do not think this proposed reduction is too abrupt at this time.

Mr. HOYT. We had discussed this program fully with the States no later than early in December 1952. We had a meeting with the State officials representing all of the regional plant quarantine boards in Chicago in December of 1952, and at that time we discussed plans for their taking over of the responsibility of our jobs of beetle-control work in the event Federal quarantine should be removed.

REMOVAL OF FEDERAL QUARANTINE

Mr. ANDERSEN. Do you intend to remove the Federal quarantine on June 30?

Mr. HOYT. The date has not been set, Mr. Chairman. We expect to remove the quarantine, and it could not be later than that if the proposed budget is approved.

If we are going to show the saving in 1954 that is indicated here, we have to do that, Mr. Chairman.

Mr. ANDERSEN. Now, this is indicative of how some of these nurseries feel. They say:

> We have been informed that the Japanese beetle quarantine regulations will be lifted effective as of June 30, 1953. This will cause us a terrific amount of hardship in the operation of our business which constitutes the shipment of our plants to other States which are at present outside the Japanese beetle quarantine zone. Should this come about, the dropping of the quarantine regulations, we would be forced to curtail operations during 1953 and ensuing years since our stock would be quarantined from areas prohibiting the movement of stock into their States.

Would you comment on that, please?

Mr. HOYT. The way we have discussed with the States that this would be operated is that all States in which the infestation occurs have been participating and cooperating in the activities associated with certification; they have men that know every step that is taken in the procedure, and they are abundantly capable of carrying it on, so that as of the date that this Federal quarantine would be withdrawn there would be trained State men ready to step in and assume full responsibility, who would issue the certificates. It only remains for the States in which the Japanese beetle does not occur to place the same degree of confidence in the certificate originating in the States as they have been placing in the certificate originating in the Bureau.

CHANGES AND REASONS THEREFOR UNDER REVISED ESTIMATES

Mr. ANDERSEN. Mr. Hoyt, will you continue with your statement as to the changes under the revised budget and the reasons therefor.

Mr. HOYT. With the exception of cooperative work in grasshopper, Mormon cricket, and chinch-bug control, all control programs financed with funds provided in the subappropriation, "Insect and plant-disease control," involve either the enforcement of a Federal quarantine or cooperation with States in the enforcement of State quarantines.

These programs are jointly planned and financed. In each case benefits accrue to States other than those where the infestation is established. To relieve or reduce to a minimum the burden on farmers, nurserymen, public carriers, and others involved in the movement of commodities from infested areas to other parts of the country, particular attention is given to the development of simple, effective, and economical treatments which may be used as a basis for providing Federal or State certification that shipments are free of infestation.

Although in general these programs are concerned with destructive pests that are restricted to a small part of the area where the crops they attack are grown, the States and individuals in infested areas are in many instances contributing substantially more of the overall cost of control than the Federal Government.

Quarantines provide a means for individuals to ship produce or commodities from an area infested with a destructive pest to noninfested parts of the country without risk of the insect or disease being carried along. Initial attempts to suppress infestations of newly introduced pests as a means of preventing their spread to other parts of the country involve expenditures beyond the means of the individuals whose properties are affected. Frequently, individual landowners do not grow crops that are affected by the pest, and hence are not interested in its eradication or control. The Federal Government has taken the lead in the initial phases of such a program. The States have cooperated in these efforts and have assumed increasing responsibility as improved measures of control have been developed. Likewise, additional responsibility has been passed on to individuals who apply such treatments as may be necessary to protect their own crops and to meet the requirements of existing quarantines.

Cooperative programs of this character have become increasingly effective as State pest control organizations have been developed and improved. Closer coordination of effort between States has made Federal assistance more productive without increasing cost.

Date scale, Mediterranean fruitfly and citrus canker are notable examples of destructive pests that have been eradicated.

The gypsy moth has been confined to the Northeastern States for nearly half a century, thus protecting vast areas of highly susceptible growth in the southern Appalachian region, the Middle West, and the Ozarks.

For more than 25 years the pink bollworm was confined to a few border counties even though cotton-producing areas of Mexico were generally infested.

The citrus blackfly was causing widespread damage in Mexico by 1947 but through cooperative effort with Mexico it has been prevented from becoming established in citrus areas of the United States.

The oriental fruitfly introduced into Hawaii from Saipan in 1944 or 1945 has been prevented from reaching the mainland.

Through joint effort the State of New York and the Bureau have apparently succeeded in preventing the spread of the golden nematode of potatoes which was first discovered in this hemisphere in Nassau County (Long Island), N. Y., in 1941.

The white-fringed beetle (introduced into the United States sometime prior to 1936), although continuing to spread locally, has not become a major pest even in areas where it is now generally established

as effective treatments have been developed for protecting both field crops and nursery stock. Likewise, effective and economical treatments are in use which permit commodities to be moved from infested to uninfested areas without risk of further spread.

With this as background, I should like to discuss briefly developments that have led to the recommendation that States accept more responsibility for activities associated with the control or the prevention of spread of the Japanese beetle, the sweetpotato weevil, and the phony peach and peach mosaic diseases.

JAPANESE BEETLE

The Japanese beetle was first discovered in the United States in 1916 near Camden, N. J. It probably was introduced about 1912. After 2 years of research and control effort it was generally agreed among State and Federal entomologists that eradication of the insect with methods then available was impracticable if not impossible. As indicated on the map before you, the beetle now infests about 6 to 8 percent of the total area of the United States. There are 15 Northeastern States affected by the Federal quarantine. Six States—Massachusetts, Rhode Island, Connecticut, New Jersey, Delware, Maryland, and the District of Columbia—are entirely under regulation; 9 States are affected in part—they are Maine, New Hampshire, Vermont, New York, Pennsylvania, Ohio, West Virginia, Virginia, and North Carolina.

The Japanese beetle attacks more than 200 different host plants, including such important fruit crops as apple, cherry, grape, and raspberry; truck crops, such as corn and beans; and many field crops and ornamentals. It causes serious damage in all stages of development. The spread of the Japanese bettle has proved difficult to prevent as it may be readily moved in the larval stage in soil attached to the roots of plants, or in the adult stage because it is a strong flyer and a good "hitchhiker."

The program to retard the spread of the Japanese beetle has been an extremely effective one, especially since some of the newer insecticides have come into general use. Nurserymen and others shipping produce interstate now have a number of alternative treatments they may use as a basis for having their crops or commodities certified for shipment to noninfested areas. State officials generally are familiar with currently recommended treatments for both crop protection and regulatory purposes.

For more than 2 years the Bureau has urged States to make preparation to assume some of the functions now carried by the Federal Government. The desirability of delevoping uniform State quarantines as a substitute for the Federal quarantine has been discussed at both regional and national plant board meetings. Adjusting cropping practices so as to minimize damage from Japanese bettles as new areas become infested has been considered at meetings attended by State officials from States not now infested. It is perhaps quite natural that there is a marked difference of opinion as to whether certain functions associated with pest control programs are rightfully a responsibility of the Federal Government, or of States and individuals. Some States, through their regulatory organization, are much better prepared to accept responsibility in this field than others.

By law, the Department is authorized to promulgate and enforce plant quarantines directed against insect pests or plant diseases "new to and not generally distributed within and throughout the United States." When an insect becomes established in 15 States, with incipient infestation in still other States, the question arises as to whether the infestation could be said to be "new to or not generally distributed." The farmer now has cheap, effective insecticides for controlling the Japanese beetle in all stages of its development.

The proposed budget would provide for Federal participation in Japanese bettle control to the extent of the inspections necessary to keep States concerned currently advised as to the boundaries of infested areas, thus permitting them to enforce such regulations as they deem necessary to protect their interests. Cooperation with States in the inspection and certification of commodities in accordance with requirements of the Federal quarantine, and assistance to States in suppressing outlying infestations as they are discovered, would be discontinued.

SWEETPOTATO WEEVIL

The revised budget contemplates that the Bureau discontinue certain functions with reference to the sweetpotato weevil control program. Although an introduced insect, the sweetpotato weevil has been in this country a long time (first found in Louisiana in 1875). It now infests to some degree all Southern States where sweetpotatoes are an important crop commercially, and it is widely distributed in backyard plantings and in native host areas outside commercial areas. Although highly effective methods have been developed for its control if they are uniformly applied on an area-wide basis, any attempt at eradication of the insect would be impracticable.

Control of the sweetpotato weevil is accomplished by (*a*) creating non-potato-growing areas where outlying infestations are found; (*b*) using only pest-free planting stock, and observing recommended cultural practices in areas where the weevil is generally established; (*c*) observing strict standards of sanitation at storage and shipping points; and (*d*) enforcing regulations to prevent movement of infested sweetpotatoes to noninfested areas. An intensive educational program conducted in cooperation with State departments of agriculture and State extension services has contributed much to the effectiveness of this program in recent years. It is proposed to use the funds provided in the budget now before the committee in promoting uniformity in the enforcement of State regulations governing the certification of sweetpotato plants and table stock offered for interstate shipment, and to assist in developing uniform methods of survey in areas subject to regulation.

PHONY PEACH AND PEACH MOSAIC DISEASES

Phony peach and peach mosaic are virus diseases which have caused extensive damage to peach orchards in areas where they occur. Their origin is unknown but infections appear to play an important part in their spread. Eighteen to 24 months must elapse from the time a tree is infected before symptoms appear. Infected trees are seldom profitable after 3 to 4 years as they produce small, disfigured fruit unsuitable for market.

It has been determined recently that native plums are attacked by the virus causing the phony peach disease. Any permanent solution to the problem, therefore, must include the elimination of wild plums from peach-growing areas.

The annual inspection and the removal of all peach trees showing symptoms of either the phony disease or peach mosaic has held these diseases in check but has failed to eliminate them even in areas where the most intensive type of work has been done.

The current program which is planned in cooperation with affected States, and supported to the extent of about 60 percent of the overall cost by them, provides for the enforcement of uniform State quarantines preventing the movement of diseased trees to uninfected areas, assistance to States in the inspection of orchards to mark diseased trees as an aid to growers who wish to carry out areawide control programs, and surveys outside the generally infected area for the purpose of locating isolated infections which are promptly suppressed when found.

The revised budget contemplates that the States, with the aid of organized groups of peach growers, will accept responsibility for all phases of control work. It is proposed to continue research now in progress which has as its objective the development of more effective methods of controlling the insects that transmit the virus from tree to tree.

MINIMUM TO MAINTAIN QUARANTINE

Mr. HORAN. What is the minimum you must have to maintain the quarantine? I am not going to raise any particular question about it, but somebody certainly has raised a little harassing, legislatively speaking, by their mail, I would say. I do not know that you inspired those letters.

Mr. HOYT. Only to the extent that we made a recommendation, Mr. Horan, to the Secretary of Agriculture for this change in program.

Mr. HORAN. What is the minimum you think you would require to maintain it?

Mr. HOYT. We could not operate under today's condition any more cheaply than we have in the past fiscal year, $482,700.

Mr. HORAN. Is it worth it?

Mr. HOYT. The only answer I can make, to be consistent, is that that work can be carried on by the States for less money on an adequate basis——

Mr. HORAN. It can be carried on for less money by the States?

Mr. HOYT. If the States enforce quarantines the saving that is contained in this revised budget can be made by the Federal Government.

Mr. ANDERSEN. Do these infestations have any respect for State lines?

Mr. HOYT. No.

Mr. ANDERSEN. What is going to happen if certain States refuse to do anything about it at all?

Mr. HOYT. Then I would say that infestation, would spread more rapidly in those States than otherwise.

Mr. ANDERSEN. I am speaking now from the point of view of the national interest.

Mr. HOYT. Mr. Chairman, this quarantine has been in effect many, many years. I would say that in 25 or 30 years we have become convinced, both in respect to that question, and the question has been raised before, that the Japanese beetle is going wherever it wishes and can find convenient surroundings. All that the quarantine does is to exert some delaying influence on that movement. And we feel that the continuance, year after year, of spending Federal funds in that kind of insect control is not in the public interest.

Mr. ANDERSEN. Mr. Hoyt, in the past, I have never heard a similar statement made to this subcommittee relative to this quarantine.

Mr. HOYT. The actual withdrawal of funds involved in the enforcement of the quarantine; no.

Mr. ANDERSEN. I do not recall ever before having heard a statement made before this subcommittee to the effect that this quarantine has merely been a delaying action.

Mr. HORAN. It is not a quarantine, then.

EFFECT OF QUARANTINES ON INSECTS

Mr. HOYT. Mr. Horan, I do not think there is ever a quarantine that is 100 percent effective. We certainly think there can be delay in spreading, but the Japanese beetle is a strong flier; it moves out 5 or 10 miles a year in some areas, or even further, on its own power.

Then, secondly, it is a great hitchhiker, and gets a ride on any sort of vehicle that travels from a generally infested area to an outlying area. On that we have evidence to show that it has been carried for substantial distances from an isolated infested area. For instance, the St. Louis, Mo., infestation undoubtedly is the result of its hitchhiking ability. Also, the isolated infestation at Atlanta, Ga., and also one in Detroit, Mich.; those infestations have been carried there in automobiles, railroad cars, airplanes, and otherwise.

This committee, in the report on the agricultural appropriation bill 2 years ago, as you may recall, questioned the continuation of this program and recommended that it be given careful study by the Department.

MEANS OF CONTROL OF JAPANESE BEETLE

Mr. HORAN. Does the Japanese beetle have any natural enemies?

Mr. HOYT. Yes; and that is effective. The control of the Japanese beetle has been noticeably strengthened in the areas that have been longest infested. In New Jersey, today, which is generally infested, and where the infestation in this country started, they have learned to live with the Japanese beetle. There are four insect parasites that have been effective and adjusted to this country so that they actually do considerable control.

One means of control is a disease, the so-called milky spore disease of the Japanese beetle, which attacks the grubs. The soil can be inoculated even in advance of the infestation. There is a very noticeable decline in populations in infested areas due to the control in that respect.

That has begun to be indicated right here in Washington. We have not had anything in the last 2 or 3 years like the infestation of the Japanese beetle in Washington that we had before, particularly like

the infestations we had a few years ago. That indicates that it can be controlled by biological means.

Mr. ANDERSEN. Mr. Hoyt, in view of that picture, perhaps it would be well to strike out this entire $150,000 and forget about the program.

Mr. HOYT. I would say that that would put a more difficult burden on the States in assuming the responsibility for such quarantines as exist or as they may want to make. They are entitled to be kept informed as to the distribution of the Japanese beetle that is involved across State lines. It is our thought that the Federal Government can do a better job on that than the States can, with respect to work outside their own borders.

DUTCH ELM DISEASE AND CHESTNUT BLIGHT

Mr. HORAN. I would like to know whether you would take the same action as we did with respect to Dutch elm disease. Dutch elm was quarantined some 5 or 6 years ago.

Mr. HOYT. Yes.

Mr. HORAN. And we abandoned that.

Mr. HOYT. Yes.

Mr. HORAN. And we also had a quarantine against the chestnut blight, did we not?

Mr. HOYT. I do not believe there was a quarantine against the chestnut blight. There was a very drastic effort to control it by such means as were available at that time, but it was an almost hopeless task from the very beginning.

PREVIOUS ANALYSES OF JAPANESE BEETLE PROGRAM

Mr. WHITTEN. I would like to point out that for several years the Bureau has contended that quarantine in itself is not preventing the spread of the Japanese beetle.

The showing in that respect was such that we had an investigation made to look into that matter. And there was ample evidence that the Japanese beetle was spreading, and that it had to be met locally. On the basis of that finding we did ask the Bureau to make an investigation itself to see whether the time had arrived when we should withdraw from the program. I believe the request was made some 2 years ago.

Mr. HOYT. Yes.

Mr. ANDERSEN. I am glad you recalled that for the record, Mr. Whitten because I had forgotten it.

Mr. WHITTEN. Yes; we have asked the Bureau several times to look into that.

Mr. HOYT. And it is contained in the House committee's report on the 1952 appropriation.

Mr. WHITTEN. It was quite evident for some time that should be considered.

SWEETPOTATO WEEVIL CONTROL

Mr. ANDERSEN. We will proceed to the consideration of the sweetpotato weevil control. I notice, Mr. Hoyt, the revised budget decreases the 1954 estimate by $188,100, leaving an appropriation request

of $49,900 for 1954 as compared with $238,000 for 1953. Will you comment on that?

Mr. HOYT. Mr. Chairman, we have been cooperating with the States in the areas where sweetpotato production is important, for a good many years in the control of sweetpotato weevils. It is a destructive insect, and it attacks the sweetpotato in storage as well as in the field. It is a thoroughly destructive thing, and can be carried from one area to another area, and from State to State, in connection with the movement of sweetpotato tubers themselves, or the sweetpotato plants or slips.

In this case, we do not have a Federal quarantine. We have been working under the Plant Quarantine Act, which is our authority. We have been cooperating with the States in the enforcement of State quarantines. The object of this program has been to try to set up safeguards around the production of sweetpotatoes, so that clean plants will be planted in the controlled areas, placing us in better position to handle the restrictions and to determine what could be done with sweetpotato weevil infestation, thereby reducing the danger of infestation in the major crops areas.

There has been a great deal of cooperation on that. The State officials have been participating in the program and the assistance which the Bureau has been giving has been in the direction of first actually supplying some technical assistance; secondly, coordinating and standardizing the program as among the States; and, thirdly, cooperating in the enforcement of the State quarantine.

It has been indicated to us by State officials of certain States that they no longer need Federal help. For instance, Texas is one in which the infestation occurred, and which is now carrying the program alone.

We have modified our program considerably, to the extent of supplying those States and other States information on many questions. At this time, withdrawal from the program to the extent this recommendation indicates would, I think, be met with more definite opposition from the States of Georgia and Louisiana. I think those two States would particularly object to the change, but we feel that they are abundantly able to handle the program, and we have asked for a small amount to be left so that we could cooperate with them in standardizing their methods, and of keeping in touch with the situation for a year or two to see how it is going to work out.

Mr. WHITTEN. This is a problem in my own State.

Mr. ANDERSON. Are there any questions on that item, gentlemen? If not, we will take up others that show a decrease.

PHONY PEACH AND PEACH MOSAIC

Will you discuss the proposed elimination of the phony peach and peach mosaic control program.

Mr. HOYT. Yes. Phony peach and peach mosaic programs are carried on from ocean to ocean. Actually, in these programs we cooperate with a number of States. Peach mosaic is a disease of the western peach and phony peach is the eastern disease. They meet in the State of Texas, and there is some overlapping. You will find some areas in which both diseases occur.

METHODS OF CONTROL

The method of dealing with these diseases is the same. That is, in the early detection of the disease the peach trees are removed and destroyed. In the case of the phony peach disease there are certain kinds of insects that carry the disease from tree to tree, and the method of controlling those insects is known, so that the farmer can protect his peach orchards through the application of recommended insecticides.

Mr. ANDERSEN. So that it would be more or less an area type of job?

Mr. HOYT. That is right. The program has consisted of inspection of the orchards in the infested areas and of trying to get the infested trees removed.

In some States there is no authority, no police power, to compel the grower to do so, but for his own self-interest, which is the motivating power, he cooperates with the program by removing the trees.

In both diseases the method employed is usually understood. There is a cooperative arrangement worked out, and it is our feeling that we are simply adding that much to the program which we think should be carried out by the farmer himself. We are, therefore, recommending the Federal Government withdraw from the program on that basis.

OTHER PROGRAMS

Mr. ANDERSEN. I am going to ask you to supply a brief statement for the record with reference to each of the other programs in the revised budget.

Mr. HOYT. We will be glad to do that.

(The information requested follows:)

The 1954 budget provides funds in the same amount as available in the fiscal year 1953 for the following projects which are individually discussed in the order they appear in the explanatory notes.

CITRUS BLACKFLY

The citrus blackfly is a tiny, black, four-winged, sucking insect. The life cycle from egg to adult requires from 45 to 113 days. There are 4 to 6 per year. The average female fly lays 100 or more eggs, mostly on the underside of leaves. Sometimes several thousand blackflies are to be found on a single leaf. As the juices are sucked from them, the leaves become coated with a heavy film of black smut which may blacken the entire tree. The crop on infested trees is greatly reduced in volume, and is inferior in appearance and taste.

Since 1943 the Federal Government has cooperated with the Mexican Government both in research and in the suppression of blackfly infestations in the citrus area adjacent to the United States border. This effort has been highly successful to date. In addition to working out effective chemical controls, parasites have been introduced into infested areas in Mexico which are proving highly effective in suppressing existing populations. If at some later date this pest is introduced into citrus areas of this country, there will be available much valuable information on which to base recommendations for control.

MEXICAN FRUITFLY

This yellowish-brown fly is about the size of a housefly, with bands on the wings also in yellow and brown. The adult flies live several months and can withstand limited exposure to freezing temperatures. The flies in Mexico are active throughout the year, producing 4 or more overlapping generations of 2 to 3 months each. The eggs are deposited in mature fruit and the larvae in the course of their development destroy it. Some adults from Mexico find their way each year to southern Texas. The fly was first discovered in this country about 1903 when it was observed near Brownsville, Tex. Infestations were found in citrus fruit in the lower Rio Grande Valley of Texas in 1927. An eradication program was thought to have been effective but the fly reappeared in 1930.

Infestations were intermittent after that but became more general and recurred with greater regularity as the enormous fruit-tree development in that area provided extensive acreages of host fruits. The freezes of 1949 and 1951 reduced the amount of host fruit and corresponding infestation to the lowest point in 15 years. This pest will probably increase with restoration of citrus orchards.

All varieties of citrus fruit, except lemons and sour limes, are hosts to this insect. It is found also on mangoes, guavas, sapotas, peaches, apples, pears, plums, quinces, apricots, mameys, and ciruelas.

Domestic infestation is confined to eight citrus-producing counties in the lower Rio Grande Valley of Texas. It is widely established in adjacent areas of northeastern Mexico and south in the interior.

The purpose of this program is (*a*) to prevent spread of this pest from limited, infested areas in the United States to other fruit-producing areas; (*b*) to prevent its establishment along portions of the border now free from the insect; (*c*) to determine the extent of infestation in Mexico and assist that Government to control the pest; and (*d*) to insure that citrus fruits are free from living larvae so that they may be transported without endangering other citrus-producing areas in the United States. The present program consists of (*a*) surveys to detect any new Mexican fruitfly infestations in Texas, (*b*) sterilization of fruit after infestation appears to permit shipment of fruit into pest-free areas, and (*c*) assistance in the enforcement of regulations prescribed under the Texas quarantine.

This is a continuing type of program which has proved highly successful in preventing citrus areas of the United States from becoming infested with this destructive pest.

STEM RUST—BARBERRY ERADICATION

The stem rust disease of small grains is caused by a fungus which lives alternately on certain species of barberry and on grains and closely related grasses. The stem rust fungus attacks the leaves and stems of the host plant, stealing the plant food before it reaches the head. It reproduces by means of tiny airborne spores. It spreads from grain to grain during the growing season but cannot carry over winter in the Northern States in the spreading stage. Local barberry bushes are a source of new infestations each year. In addition, they serve as the source of new, highly destructive races of the fungus which may attack varieties of wheat resistant or immune to existing races. By removal of barberry bushes from grain-growing areas the annual life cycle of the fungus is broken.

Economic host plants of the stem rust fungus are wheat, oats, barley, rye, and a number of native grasses. Susceptible barberry bushes serve as the alternate host necessary to complete the annual life cycle.

The rust is widespread, occurring wherever susceptible grains and grasses are grown.

Stem rust is a constant threat to a billion-dollar grain crop. Losses in a single year have exceeded 100 million bushels of grain. During the period 1918–23 losses averaged about 40 million bushels. The average for the past 9 years has been about 15 million bushels. Damage done in certain areas in 1950 had a marked effect on the economy of the areas in which the epidemics occurred. When rust wipes out or seriously reduces a crop the impact is felt by all business, including transportation, warehousing, milling, financial institutions, and distribution outlets.

Control of stem rust is accomplished by the removal of the barberry bushes, which are the source of local infection and from which new races emanate, and the breeding of grain varieties which are resistant to existing races of the rust. Substantial progress has been made toward the permanent suppression of barberry bushes in the important grain-producing areas of the country. The work is carried out on a regional basis in cooperation with State and local agencies.

PINK BOLLWORM

The pink bollworm is considered the most destructive pest of cotton. The female moth flies actively, is small, dark brown in color, and resembles the common clothes moth. It deposits from 100 to 200 eggs inside the calyx of the cotton boll. The young caterpillars bore into the square or boll where they feed for 10 to 14 days. Developing from egg to adult requires about 25 days. There are 4 to 6 generations a year. The larvae may hibernate for as long as 2 years in cottonseed and debris.

As the pink bollworm has become generally established in cotton-growing areas of Mexico contiguous to the United States, flights or wind drift of adult moths from these areas have expanded the infested area in the border States. This has

occurred despite repeated successes in eradicating the pest from isolated areas in Texas, Louisiana, Arizona, Georgia, and Florida.

The pink bollworm has invaded more than 190 counties in Texas. From time to time infestation has become established in limited areas in Arizona, New Mexico, Oklahoma, and Louisiana. General infestation, however, is restricted to the lower Rio Grande Valley and cotton-producing areas in Mexico.

This worst of all cotton pests is credited with being the cause of losses of 1 bale out of every 5 produced in Brazil, with some areas losing 1 bale out of every 2. In 1915 Hawaii suffered such infestations as to force farmers to abandon cultivation of cotton. The pink bollworm is the most difficult cotton pest to control, and if permitted to spread in the United States, it would place a tremendous burden on the cotton farmers—in fact, the whole cotton industry.

The purpose of the current program is to prevent spread of the pink bollworm to new areas and to reduce damage in currently infested areas. This is accomplished by the enforcement of strict planting and harvesting dates in areas of southern Texas recognized as generally infested. The enforcement of quarantines which require sterilization of other products moving from infested areas to other parts of the Cotton Belt and the establishment and enforcement of noncotton zones in areas of outlying infestation where the objective is the eradication of the pest.

To prevent reinfestation from the Southeast requires the eradication of wild cotton plants in Florida where infestation has persisted for many years.

GOLDEN NEMATODE

The golden nematode, a soil-infesting organism, eel-like in shape and less than one-fiftieth of an inch long, attacks roots of potatoes and tomatoes. Upon reaching maturity, the females embed themselves in the outer layer of the rootlets and develop into tiny spherical cysts which are filled with eggs. The mature cysts become detached from the roots of the host plant and remain like weed seeds in the soil. The eggs hatch only in the presence of the roots of the host plant, otherwise they may remain viable but dormant in the soil as long as 8 or 10 years. This introduced pest was first found in the United States in 1941. Research was begun in 1941, New York quarantine was instituted in 1944, and Federal participation in control started in 1946.

The purpose of the current program is to contain the golden nematode in the fields where it presently occurs, thus protecting the potato and tomato growing industries of the country. The cooperative effort with the State of New York appears at this time to have been highly effective in achieving this objective, thus affording protection to potato-growing areas in up-State New York and elsewhere throughout the country.

WHITE-FRINGED BEETLE

The white-fringed beetle is about half an inch long, dark gray in color, with two lighter-colored longitudinal stripes. This flightless insect attacks a wide variety of crops and passes the winter as a grub or larva in the soil. The adult beetles (all of which are females) normally emerge from the ground during the early part of the summer. They deposit eggs in small masses, usually attached to a plant stem, stick, or pebble at or just below the soil surface. A single beetle may produce 600 to 700 eggs during its adult life. Under average weather conditions these hatch in about 2 weeks. The minute larvae enter the soil where they feed on the roots of plants until the following spring. This pest was probably introduced from South America or New South Wales. It was discovered in Florida in 1936.

The larvae are voracious feeders, attacking some 200 species of plants, including such important crops as cotton, tobacco, peanuts, corn, sugarcane, sweetpotatoes clover, numerous vegetables, and some ornamentals. Included also among its hosts are certain weeds commonly found on uncultivated lands and along roadsides.

Infestations totaling 370,000 acres are known to occur in 143 counties of the following eight southern States—Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee. Although the white-fringed beetle cannot fly, it is moved from one area to another as larvae infesting soil around roots of nursery stock or with such crops as peanut hay, soybeans, Irish potatoes, or other plants that may carry soil or debris with them. In a number of instances, beetles have been moved from one area to another with farm and road machinery.

Because it attacks a wide variety of crops, the white-fringed beetle is a potential pest throughout the southern half of the United States. Its greatest damage is

done by feeding on the roots of seedlings. In areas of heavy infestation, farmers may find it necessary to plant crops 2 or 3 times before obtaining a stand.

The current program provides for cooperation with the States, counties, organized groups of farmers, and nurserymen in the enforcement of Federal and State quarantines; the detection and prompt suppression of outlying infestations; and furnishing technical assistance in organizing and implementing control programs within known infested areas.

Effective controls have been developed for the white-fringed beetle in the past few years.

HALL SCALE

This minute sucking insect multiplies rapidly, producing many generations a year. Although it cannot fly, it is extremely difficult to control when inhabiting crevices in the bark of trees. It is believed to have been introduced inadvertently by the United States Department of Agriculture at the Plant Introduction Gardens at Chico, Calif., in 1934. Federal-State cooperative control was begun in 1941.

The Hall scale attacks about 60 host plants in its native country. In the United States it feeds primarily on stone fruits, particularly peaches and almonds.

It is presently confined to a small area around Chico, Calif. It has been found at two other points in California, but these infestations appear to have been eradicated.

Infested trees are weakened and the fruit is disfigured and rendered unfit for market. An infestation at Davis, Calif., damaged about 25 percent of the peach crop, even though the trees had been sprayed with an oil emulsion the preceding winter.

The purpose of the present program is to eradicate the Hall scale and, during the time required to eradicate it, to prevent its spread and establishment in the extensive stone fruit-growing sections of the country. The current program involves locating areas of infestation, applying insecticides, including highly poisonous fumigants, and removing infested seedlings and trees of little economic value.

The State of California has increased its appropriation for participation in this work to $68,000 per year. Unless new areas of infestation are located, it is expected that all infestive host plants will have received initial treatment by the end of the fiscal year 1954.

GYPSY MOTH

The gypsy moth is a small, creamy white insect which was accidentally introduced into this country in 1869 from southern Europe. The female moth deposits eggs on tree trunks, stones, lumber, or almost any object or debris on the ground. The larvae hatch early in the spring. Federal participation in the control of the gypsy moth began in 1906. The gypsy moth is a serious pest of forest and shade trees.

The gypsy moth is presently confined to New England and eastern New York. As the female moth is unable to fly, natural spread is relatively slow. However, the eggs are deposited on many objects transported by man; thus, artificial spread is a constant threat.

Defoliation caused by gypsy moth caterpillars retards growth and weakens the trees. Repeated defoliation kills the trees. If permitted to spread unhampered, the gypsy moth probably would cause serious damage throughout the hardwood area east of the Mississippi River.

The purpose of the current program is (*a*) to eradicate the gypsy moth from outlying areas of infestation, (*b*) to prevent further extension of the generally infested areas which now comprise New England and eastern New York, and (*c*) to furnish technical assistance to State and local agencies undertaking eradication or suppression of the pest within the generally infested area.

The application of insecticides by airplanes and new type mist blowers has eliminated the gypsy moth from more than 368,000 acres in eastern Pennsylvania since 1945. Since 1948, spraying has virtually eliminated the gypsy moth from more than 600,000 acres in eastern New York and 700,000 acres in southeastern Massachusetts. These States have expended large sums in these control operations.

A gypsy moth committee has been appointed by the Council of State Governments to study the feasibility of undertaking the eradication of this insect. The Bureau of Entomology and Plant Quarantine with the cooperation of affected States has undertaken to determine the limits of infestation as a basis for arriving at the cost of such a program and the extent of such an operation in each of the

States where the insect is now generally established. The findings of these two groups will serve as a basis for future recommendations of the Bureau with respect to this pest.

GRASSHOPPERS AND MORMON CRICKETS

Grasshoppers have always been among the chief insect enemies of agriculture in the United States. They are recorded as having damaged crops in 1787 in New England and in 1818 in Minnesota. From 1874 to 1877 damage over a large area from the plains of Montana, Wyoming, and Colorado, east to the Mississippi Valley, and south to Texas was so great it was considered a national calamity. Congress first recognized the grasshopper problem in 1877 when it established the U. S. Entomological Commission and authorized it to investigate the possibilities of alleviating the grasshopper menace in the West. The first organized Federal-State cooperative control program was undertaken in 1934.

The Mormon cricket is a species of long-horned grasshopper, primarily of concern to 11 western and Rocky Mountain States. It has been a serious pest over wide areas since 1848. This insect does not fly, but under outbreak conditions vast hordes or bands migrate great distances, laying waste to all vegetation in their path. It feeds on some 250 kinds of range plants in addition to numerous crop plants. It has many characteristics similar to other grasshoppers.

The purpose of the current program is to prevent major outbreaks and migrations of these insects and to assist States in organizing groups of farmers and ranchmen to prevent or reduce the tremendous crop losses that have accompanied such outbreaks.

During the past few years highly effective controls have been developed for both grasshoppers and Mormon crickets. The cost of control has been greatly reduced, and cultivated crops need no longer be subjected to widespread outbreaks. Preventive work on low-value range lands is proving successful.

INSECT DETECTION AND ADVISORY SERVICE

The objective of the Insect Detection and Advisory Service is to provide information on existing and potential insect infestations which will aid farmers to more adequately protect their crops from insect damage and aid the manufacturers of insecticides and insecticide dispersing equipment to more accurately determine requirements in various parts of the country. This program has the further purpose of detecting promptly any newly introduced insects, thus permitting immediate control action.

State, Federal, industrial, and private entomologists throughout the country are voluntarily contributing current information on insect conditions and control requirements. This information is submitted to a State clearing office for screening, review, and release locally. The reports are then forwarded to Washington, D. C., where they are compiled into a weekly release covering insect conditions throughout the United States and its territories. This weekly publication is widely distributed among county agricultural advisers, State and Federal officials, farm association advisers, and others who benefit by timely receipt of information on crop pests.

When the situation warrants organized service surveys are conducted. These may have one or more objectives: (1) To establish limits of an infestation of a pest; (2) to determine the density of populations of such destructive insects as the boll weevil, European corn borer, screwworm, etc.; and (3) to determine probable outbreak areas as a guide to manufacturers and distributors of insecticides, and other control materials and equipment. Public interest in this Advisory Service has developed rapidly, as indicated by the number of requests received from corporations and agricultural officials and individuals to be placed on the mailing list to receive current reports as they are released.

Mr. ANDERSEN. If there are no further questions, that will conclude the hearings on this Bureau.

FRIDAY, APRIL 17, 1953.

BUREAU OF ANIMAL INDUSTRY

MEAT INSPECTION

WITNESSES

DR. M. R. CLARKSON, DEPUTY RESEARCH ADMINISTRATOR, AGRICULTURAL RESEARCH ADMINISTRATION
DR. B. T. SIMMS, CHIEF, BUREAU OF ANIMAL INDUSTRY
DR. A. R. MILLER, ASSISTANT CHIEF, BUREAU OF ANIMAL INDUSTRY, AND CHIEF, MEAT INSPECTION DIVISION
DR. C. H. PALS, ASSISTANT CHIEF, MEAT INSPECTION DIVISION, BUREAU OF ANIMAL INDUSTRY
K. A. BUTLER, ASSISTANT CHIEF, BUREAU OF ANIMAL INDUSTRY
N. A. OLMSTEAD, CHIEF, BUDGET AND FISCAL DIVISION, BUREAU OF ANIMAL INDUSTRY
RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

INVESTIGATIVE REPORT OF BUREAU

Mr. ANDERSEN. Dr. Simms, last year the committee had a review made of the meat-inspection program, and when you appeared earlier this year we furnished you excerpts from a part of that report.

We have recently received answers to the various points raised in the investigator's report, which we would like to discuss with you today. Since this study was undertaken while Mr. Whitten was chairman of this committee, I shall ask him to discuss it with you.

Mr. WHITTEN. Thank you, Mr. Chairman. In connection with this, I have read closely the report of the investigators, and I have read the reply of the Department. As frequently happens there is a wide difference in the two.

The investigators in this instance were selected from the FBI, and from other organizations. Their job was to go out and find the facts. They might have been able to consider this problem a little more objectively than those in the meat inspection service, with all due deference to the fine personnel in that service.

In going into the organizational setup and operation of this agency, here is what the investigators found:

> First, the increase in meat production in fiscal year 1952 did not require an appreciable increase in inspection service.
>
> Second, the overall man-years expended by all employees chargeable to MID funds actually decreased in 1952.
>
> Third, the anticipated 1952 deficit resulted primarily from increased salaries of MID personnel, and other administrative costs.

That is the finding of these investigators, and they went into the investigation with the sole objective of ascertaining the facts.

You will recall that this all came about when the committee included a provision in the bill that, where it took more inspectors to do the job in 1952, the various meatpacking plants could obtain such additional inspection by requesting it and paying the extra cost. That is similar to what they have been doing where they need overtime. The Department has paid the bill in each instance and submitted it to the packers.

Dr. SIMMS. Yes.

Mr. WHITTEN. You paid such cost and they were billed for it.

Dr. SIMMS. Yes.

Mr. WHITTEN. As soon as our authorization passed, we were very much disturbed when we found that some meat packers were treated completely different from the way others were treated. Some had several inspectors withdrawn from their establishments, and others retained all inspectors. Now, that information was submitted to us as the findings of the investigators.

There is another point which I wish to raise. I have heard of instances in other departments where a person is transferred from a given area to a supervisory position, and then a short time later is transferred back to the former position, but still retains the salary from the supervisory position. I have tried to break that up.

We have here, to some extent, the same situation existing in the meat-inspection service in your area offices. According to the statement of the investigators which is as follows:

It is the opinion of the staff—

that is, of the investigators—

that this condition is mainly attributable to an excessive number of field stations operating independently and more or less autonomously. This excessive number of field stations appears to exist only as an expediency for upgrading supervisory personnel. It is believed that closer administrative control, more uniform interpretation of regulations, greater flexibility in assignment of personnel and overall economy of operations would be accomplished by consolidation of many of the 149 field stations.

It is true, is it not, that the man working out of a field station with a larger area has a higher civil-service rating than the person who works out of a smaller independent station?

Dr. SIMMS. The man who is in charge of work, of course, has a higher salary rate than the one who works under him. But I am going to ask Dr. Miller to discuss the matter.

Mr. WHITTEN. Is it not true that the Civil Service Commission rates a particular job on the area to be covered and the number of stations involved?

Dr. MILLER. It is certainly true that the rate of pay the employee receives is determined by the extent of his responsibility. That is one of the criteria, responsibility for area of coverage—his supervisory responsibility is one, the size of the plants supervised, and so on.

Mr. WHITTEN. I have here a letter dated April 14, 1953, from a packer who called me in Washington, and who knew nothing about this investigation. I asked him to reduce his statement to writing. Here is what he says:

With reference to the man I talked to you about, here is some detailed information: Dr. Blank has an office in my State, and has some 6 or 8 plants in this area under his supervision. I

It is my understanding the plants under his supervision are—

and then he lists them. This doctor—

has a secretary in his office, and this job requires a lot of traveling, which naturally is quite expensive and, I imagine, the setup, including his salary, his secretary's salary and his traveling, probably costs around $15,000 per year.

Just what duties he performs at these other plants, I do not know, but I do know he comes to my town once or twice a month and very seldom ever goes into the plant, and I cannot see where his coming here, or this plant being under his supervision, is anything but a waste of manpower and money for the Government.

Beside the fact that it is a waste of time and money this man is past the retirement age. Also, instead of taking up matters at this plant with the inspector in charge, he handles practically everything with one of the lay inspectors, who is not even a veterinarian, and this procedure causes a lot of inconvenience, and we have to do a lot of things in the plant trying to satisfy him, when he frankly does not know what is going on in the plant.

For a number of years the head inspector at this plant reported direct to Washington and there was much less confusion in the contact between the plant management and the inspectors. There are a number of plants in this area that are not as large as our plant, who report direct to Washington. Some of these plants are:

and he listed them—

I am convinced the job this man does is nothing more than a waste of money. However, if the Meat Inspection Division of the Department of Agriculture sees fit to keep him on this work, we would certainly like for our plant to be taken out from under his supervision and placed back on the same basis it was at one time where it reported direct to Washington.

Anything you can do to help us will certainly be appreciated.

Here is something reported to me which convinces me that the findings of our investigators are borne out by the facts.

Now, how can you justify in a given area one man reporting directly to Washington and another to a district man?

Dr. MILLER. I do happen to take issue with this statement, to the effect——

Mr. WHITTEN. Do you have instances where you have people in certain territories that report directly to Washington, and others who have to go through the district office?

Dr. MILLER. No; that does not describe the situation in the case you are referring to.

There is no place where a plant that is inspected in the area covered by this town reports direct to Washington.

Mr. WHITTEN. The statement here is that these plants in this area do report direct.

Dr. MILLER. No, they do not.

Mr. WHITTEN. They do not?

Dr. MILLER. I misunderstood the question. Yes, sir, they do. The thing that strikes me as somewhat inconsistent between the letter, and the comments of the investigators is that on the one hand the investigators are pleased at the very thing we have done in reducing the number of points that report direct to Washington.

For many years we have gone on the assumption that the better organization in the field is to reduce the number of points which report direct to Washington, so as to give the local people an opportunity——

Mr. WHITTEN. I think I see what the argument is. But if each plant reported direct to Washington, you would have done away with the district field stations entirely.

Dr. MILLER. If each plant reported direct to Washington, with the same set of field stations for each plant, for each locality, you would have some 375 stations instead of 149 stations.

Mr. WHITTEN. But you still have inspectors at each of those plants. You have your field stations, plus this 149——

Dr. MILLER. No.

Mr. WHITTEN. If you have the 149 so-called field stations, should you not cut the number down that are reporting direct to Washington?

Dr. MILLER. You would have 149 stations, plus all of these substations. That would increase the number of field stations.

Mr. WHITTEN. I am not satisfied with that answer, by any means. Some years ago the Farmers Home Administration cut out the so-called district offices which was between the man doing the work and Washington. That has resulted in great improvement.

Dr. MILLER. That is exactly what we believe we have done.

Mr. WHITTEN. Not according to this. Your inspectors report to a district or area office.

Dr. MILLER. Our field organization consists of 149 field stations. They vary in size tremendously. Some of these are large field stations. This particular town is not one of the largest; I would call it one of the middle-sized organizations; it is a type of field station, an area station not a district office. We have no district offices. We have 149 field stations varying in size, their size being determined by the type of organization that we can set up locally, and that is necessary to serve the industry. The stations report directly to Washington.

In those areas where we have large concentration of packing plants, a station might be considered as covering a more restricted area, such as Chicago, Ill. It is a large station, in terms of production, and in the number of inspectors, and it takes in a number of big plants.

In the southeast area, like the one here, there is little concentration of meatpacking plants in the general area.

Mr. WHITTEN. This letter refers to two companies, the names of which I hand you. Do you have a station there?

Dr. MILLER. No; that is a substation.

Mr. WHITTEN. But these companies report direct to Washington?

Dr. MILLER. Yes.

Mr. WHITTEN. That differs from what this man states. You have a man down here with about 6 or 8 plants, and those plants report direct, do they not?

Dr. MILLER Yes.

Mr. WHITTEN. Over a given geographical area?

Dr. MILLER. No. Where there is a station outside the affected area controlled, it is not included in the station. Then we have another local station. They report direct to Washington.

Mr. WHITTEN. This letter says that they are a much smaller operation than the other.

Dr. MILLER. That is right.

Mr. WHITTEN. Why are they reporting in here, when they are much smaller plants and the larger ones have to report to the regional office?

Dr. MILLER. The reason is that these 149 stations vary in size, each station is identified according to geographical location of the inspected plants.

Mr. WHITTEN. In this particular instance I am familiar with the area involved.

In this instance, you have a man who has charge of a certain area. Is there some conceivable reason why he should not report directly here?

Mr. WHITTEN. Did you not say a moment ago——

Dr. MILLER. He has a station to supervise. Now, you may have visualized these substations within the station as having a man in charge of each substation, who reports direct to Washington. But the man we are discussing is the only supervisor in charge of inspecting in the station. And I think you would agree that to keep more supervisors at that station would just result in surplusage.

Mr. WHITTEN. I cannot understand why a supervisor is required in this geographical area, since you recognize that smaller plants at other towns do report direct?

Dr. MILLER. It is in the same geographical area, in its relationship to the entire Southeast, but this man happens to supervise the work at this one station.

Mr. WHITTEN. I would like to interrupt here to point out again the reason why I am anxious and disturbed about this. It is because of the way in which you handled this provision that we wrote into the law several years ago. If properly administered it would have furnished some basis on which the additional work could have been handled.

Dr. MILLER. When that provision became the law to authorize the Secretary to receive reimbursements from the inspected packing plants, and the cost of the inspection, a tremendous amount of study was given to it——

Mr. WHITTEN. The first thing that was done, Dr. Miller, was for the Department to issue a news release to all the meat inspectors that as a result of this action many of them were going to be laid off, and yet you had been granted the same funds you had the year before. As a matter fact, there was no reason for such a release.

Dr. MILLER. We did not issue any news release.

Mr. WHITTEN. Do you recall being quoted to that effect?

Dr. MILLER. Well, we issued notices to the stations concerned.

Mr. WHITTEN. That is right; you issued notices to stations, to the inspectors, that they would be laid off. To how many inspectors did you give notices that they would be laid off, before you had gotten the information from the packers?

Dr. MILLER. I do not recall the number.

Mr. WHITTEN. I think we should have a figure in the record on that.

(The information requested is as follows:)

Notices were sent to 284 employees on January 11, 1952, to be effective February 17, 1952. On a full-year basis this would have been equivalent to 104 man-years of inspection service.

Dr. MILLER. But you raised the question of the first thing that was done in handling this provision. The first thing that was done was a very careful study to decide just what could be done under the language of that provision; whether the specific positions would have to be identified for the reimbursement. And as I say, a tremendous amount of study and a tremendous amount of consultation was had, and it was decided that the only way the provision could be administered was to identify the positions to be put on a reimbursable basis.

Mr. WHITTEN. May we have that provision inserted in the record right here?

(The information requested is as follows:)

Provided, That hereafter reimbursement may be made by any person, firm, or organization for the expenses of meat inspection in excess of those which can be met from the amount appropriated for such purposes each year.

Mr. WHITTEN. All the packers had to do was to request more inspection. And they could get it by asking for it and by reimbursing you.

Dr. MILLER. That is exactly what we proposed.

Mr. WHITTEN. But you did not wait to receive a request from the packers before you sent out notices to many inspectors that they would be laid off.

Dr. MILLER. Mr. Whitten, the notice was a way of apprising the inspectors of something they would have to know about and——

Mr. WHITTEN. The announcements were specific. They dealt with the inspectors, even though the amount of money was to be the same. And they provided a very good test, based on the judgment of the packers, as to whether they needed more inspectors. And if they determined they needed them, all they had to do was to ask for them. You sent notices to inspectors, the pay for whom we had appropriated money.

Dr. MILLER. The question of adequacy of organization to meet the inspection, in terms of both money and in terms of the packers' demand for inspection, rested on two things: First, was the amount of money available for it, and as you say, the amount of money for fiscal year 1952 was the same as was had for fiscal 1951. Now, there were two factors which came into play: First, the money side, and in that connection we had to consider the mandatory within-grade promotions, which we had to pay for, which meant we needed more money to pay inspectors; and the second point, that during the fiscal year 1952 there would be an increased demand by the industry due to the increased production.

Mr. WHITTEN. In that connection the record ought to show that the investigators found, quoting: "the increase in meat production in fiscal year 1952 did not require an appreciable increase in inspection service; and the overall man-years expended by all employees chargeable to MID funds actually decreased in 1952." Now, you say this statement is not what the situation was.

Dr. MILLER. When I said that the production increased, I was thinking of our projected proposal as to requirements for 1952. It actually happened in 1952 that they got by—and the point I am making is that I felt that we are not taking issue with the report, but rather we were explaining the details, enlarging on the details, and as you have quoted the report, the actual inspections needed, actual inspections demanded for 1952 were established at approximately the same amount as 1951, and, as you have indicated, we used approximately the same number of inspectors taking care of the inspection program in 1952.

Mr. WHITTEN. The investigators go on with one other statement. They say, quoting: "The anticipated 1952 deficit resulted primarily from increased salaries of MID personnel and other administrative costs."

Dr. MILLER. I was going to explain by repeating what I said before, that the increased salaries are those increases required by the mandatory within-grade promotions. Those are mandatory, we have got to make them, regardless, as you know, of how much money is furnished us for this program, or how great are the inspection demands.

Mr. ANDERSEN. In that connection, do you not have retirements and resignations sufficient to balance it up?

Dr. MILLER. We hope that beginning with this year we will be able to balance it off—that the balancing off will begin to be felt. But in 1952 we still felt the full impact of these within-grade promotions. The actual amount of money that we used in 1952, over and above the

amount for 1951, the amount of money needed to pay for inspection costs, I would say, was almost entirely accounted for by the within-grade promotion costs which are mandatory.

Mr. WHITTEN. We placed the provision in the appropriation bill so that if any packer wanted more inspection than he had had in the preceding year, he could get it by requesting it and by paying when billed for it. Notwithstanding that, and not waiting for such requests, you issued this announcement before you knew how much would be needed for actual inspections that were going to be requested by packers, and before you found out what the need was going to be. You issued a notice to meat inspectors throughout the country that they were going to be laid off, despite the fact that you got the same amount of money appropriated the year before, and before you had had time to find out whether the packers were going to ask for an increase in the number of inspectors and pay for them.

With that background I am very skeptical about your statement on this.

Dr. MILLER. Let me say, Mr. Whitten, and some of this, of course, is repetition, that in considering the program of administration under this provision, and after a full consideration and full discussion, it was decided for us that we could not prorate any additional costs for inspection across-the-board in the industry. Specific requests for inspections had to be identified for the purpose of having the packers' request filed before the provision could be applied. We were in the position of having to have the positions identified, because it was impossible to know the number of people and the costs and spread the costs throughout the industry before the positions had been identified for reimbursement purposes.

The position in a particular plant had to be identified, and of course, the plant management had to be informed.

In selecting these positions an effort was made to select them so as to not remove inspection supervision completely from any department. Were the packer not given an opportunity to request that positions be filled he would have been done an injustice. If the positions were not filled, we had to make sure that the packer did not request that the positions be filled. Actually some packers did not request the filling of the positions that had to be discontinued because of insufficient funds; in these cases the positions were discontinued, the packer adjusted his production to the reduced number of inspection positions in the plant, and things went along apparently satisfactorily to the packer.

But, by and large, we have not had any instance of lack of service to the industry, nor where a position was discontinued, did it interfere with the production of the meat-packing plant or of the inspection that was required to meet the needs of the plant. These inspectors are functioning as part of the production facilities of a meat-packing plant.

They do not discharge their responsibility by merely moving through the establishment. They actually participate in the production of the plant.

Mr. WHITTEN. Is this man I have mentioned earlier over age?

Dr. MILLER. I do not think so; I do not know; but I do not think so.

Mr. WHITTEN. Will you get his exact age for the record?

Dr. MILLER. Yes. His age is 65.

Mr. WHITTEN. What does he do, if he never goes into the plant?

Dr. MILLER. He does have to go into the plant.

Mr. WHITTEN. They report to him?

Dr. MILLER. The inspectors report to him.

Mr. WHITTEN. Do they deal with a layman inside, in charge?

Dr. MILLER. He is the man in charge, Mr. Whitten.

Mr. WHITTEN. At that particular plant?

Dr. MILLER. Yes.

Mr. WHITTEN. And they report individually to him?

Dr. MILLER. That is right. The man in the job in the plant reports to him.

Mr. WHITTEN. I would like for you to supply me a map indicating the principal firms in this man's territory which report to him. And also I would like an indication within the area of the plants that report direct to the Washington office.

Dr. MILLER. As this is the supervising office in the area, covering a number of substations, there happens to be a supervisor and the clerk. The clerk does the clerical work, handles the payroll, and reports for a much larger area than just the fruit station.

Mr. WHITTEN. I would like to have the area covered by the clerk and the supervisor.

Dr. MILLER. That will be supplied to you.

Mr. ANDERSEN. If there are no further questions, we thank you, gentlemen.

FOREIGN AGRICULTURAL SERVICE

THURSDAY, APRIL 16, 1953.

WITNESSES

ROMEO E. SHORT, DIRECTOR
FRED J. ROSSITER, ASSOCIATE DIRECTOR
RUDGER H. WALKER, ASSISTANT DIRECTOR
C. E. MICHELSON, HEAD, DIVISION OF ADMINISTRATION, FOREIGN AGRICULTURAL SERVICE
JOSEPH C. WHEELER, DEPUTY DIRECTOR, OFFICE OF BUDGET AND FINANCE, DEPARTMENT OF AGRICULTURE

SALARIES AND EXPENSES

Amounts available for obligation

	1952 actual	1953 estimate	1954 estimate
Appropriation or estimate	$615,000	$613,124	$685,000
Reimbursements from non-Federal sources	450		
Reimbursements from other accounts	110,392	107,600	107,600
Total available for obligation	725,842	720,724	792,600
Unobligated balance, estimated savings	−17,847		
Obligations incurred	707,995	720,724	792,600

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sale of personal property (40 U. S. C. 481 (c)).

Obligations by activities

Description	1952 actual	1953 estimate	1954 estimate
Direct Obligations			
1. International agricultural trade	$334,406	$343,244	$415,120
2. Foreign production and consumption of agricultural products	262,747	269,880	269,880
3. Obligations under reimbursements from non-Federal sources	450		
Total direct obligations	597,603	613,124	685,000
Obligations Payable Out of Reimbursements From Other Accounts			
1. International agricultural trade	3,278		
2. Foreign production and consumption of agricultural products	2,154		
4. Other services performed	104,960	107,600	107,600
Total obligations payable out of reimbursements from other accounts	110,392	107,600	107,600
Obligations incurred	707,995	720,724	792,600

Obligations by objects

Object classification	1952 actual	1953 estimate	1954 estimate
Summary of Personal Services			
Total number of permanent positions	142	142	154
Full-time equivalent of all other positions	1	2	2
Average number of all employees	117	120	131
Average salaries and grades:			
General schedule grades:			
Average salary	$5,285	$5,321	$5,326
Average grade	GS–7.4	GS–7.4	GS–7.5
Personal service obligations:			
Permanent positions	$606,891	$613,674	$682,000
Part-time and temporary positions	4,553	7,500	8,000
Regular pay in excess of 52-week base	1,892	1,900	2,100
Payment above basic rates	370		
Total personal service obligations	613,706	623,074	692,100
Direct Obligations			
01 Personal services	504,375	521,874	590,900
02 Travel	13,705	14,000	14,700
03 Transportation of things	2,650	2,500	2,500
04 Communication services	7,079	7,500	8,600
06 Printing and reproduction	54,726	56,500	56,500
07 Other contractual services	1,014	1,000	1,400
Services performed by other agencies	2,369	2,500	2,500
08 Supplies and materials	3,789	4,000	4,300
09 Equipment	7,269	2,500	2,800
15 Taxes and assessments	646	750	800
Total direct obligations	597,603	613,124	685,000
Obligations Payable Out of Reimbursements From Other Accounts			
01 Personal services	109,331	101,200	101,200
06 Printing and reproduction	744	4,000	4,000
07 Other contractual services	317	600	600
08 Supplies and materials		900	900
09 Equipment		900	900
Total obligations payable out of reimbursements from other accounts	110,392	107,600	107,600
Obligations incurred	707,995	720,724	792,600

Analysis of expenditures

	1952 actual	1953 estimate	1954 estimate
Unliquidated obligations, start of year	$56,985	$25,483	$25,507
Obligations incurred during the year	707,995	720,724	792,600
	764,980	746,207	818,107
Deduct:			
Reimbursable obligations	110,842	107,600	107,600
Adjustment in obligations of prior years	3,239		
Unliquidated obligations, end of year	25,483	25,507	40,007
Obligated balance carried to certified claims account	86		
Total expenditures	625,330	613,100	670,500
Expenditures are distributed as follows:			
Out of current authorizations	573,164	588,100	646,000
Out of prior authorizations	52,166	25,000	24,500

Mr. ANDERSEN. We are pleased to have with us this morning Mr. Romeo Short, Director, Foreign Agricultural Service, and his associates, who are here to discuss with us the operations of a new Foreign Agricultural Service.

BACKGROUND OF THE DIRECTOR

I would like to have inserted in the record here a short summary of Mr. Short's background.

(The statement requested is as follows:)

ROMEO E. SHORT, ASSISTANT TO THE SECRETARY

Mr. Short is a farmer and farm organization leader. As an assistant to the Secretary he will work in the general field of long- and short-term credit. He operates a diversified farm at Brinkley, Ark., where cotton, livestock, and rice are the main crops produced. Mr. Short is an active member of the American Farm Bureau Federation and has served the organization in various capacities. For 12 years he was president of the Arkansas Farm Bureau Federation, for 16 years a board member of the American Farm Bureau Federation, and he has been vice president of the national organization since 1947.

Mr. Short was born April 8, 1894, at Melvin, Ill. He spent his early years in Iowa and attended the Iowa State Teachers College at Cedar Falls. Later he went to Canada and raised wheat near Superb, Saskatchewan, until entering the Army during World War I. After the war he went to Arkansas and has lived there ever since.

For 9 years Mr. Short served as a member of the St. Louis District Farm Credit Administration Board of Directors and for several years was a member of a farm credit committee of the farm organizations. He was one of the founders of the farmer-owned Arkansas Rice Growers' Cooperative Association, now the largest of its kind in the world. He has been the president of this association since 1942. He also helped to organize the Cache River Production Credit Association at Brinkley, Ark., in 1933. From 1940 to 1945 Mr. Short was a member of the board of Directors of the Little Rock branch of the Federal Reserve Bank of St. Louis. Since November 1949 he has served as a member of the Department's Foreign Agricultural Trade Policy Advisory Committee which was established under the Research and Marketing Act of 1946. In 1945 he was an adviser to the State Department at the Chapultepec Inter-American Conference in Mexico City on problems of peace and war. And in 1948 Mr. Short was a delegate to the Paris meeting of the International Federation of Agricultural Producers.

He is a member of the Methodist Church at Brinkley, Ark., and is on the local board of stewards for his church. He is also president of the Brinkley School Board. Mr. Short has long been active in promoting good citizenship and farmer participation in civic affairs.

He married Darlene Shearer in June 1920. They have one son who now operates the family farm at Brinkley.

JUSTIFICATION OF THE ESTIMATES

Mr. ANDERSEN. We will insert in the record at this point pages 438, 439 and 442 through 450 of the justifications, and a statement comparing the revised estimate with the original Budget estimate.

(The pages referred to follow:)

PURPOSE STATEMENT

The Office of Foreign Agricultural Relations serves the interests of United States farmers by collecting facts and reporting conditions in foreign countries which affect the markets for American farm products. Through agricultural attachés serving in the Foreign Service of the United States, and to a lesser extent through a limited number of its own commodity specialists assigned abroad, the Office undertakes to maintain constant contact with foreign crop and livestock production, and with market demand situations in all countries of the world where these conditions have an important bearing on United States markets. Information so gathered is analyzed, interpreted, and distributed to United States agricultural producers and to individuals and firms engaged in agricultural foreign trade. It is used also as background for those persons taking part in the planning of foreign programs in the agricultural field, such as technical assistance programs, and various aspects of the defense program. It is likewise supplied to the Congress for use in the formulation of United States agricultural policy and to other agencies of the executive branch for use in the administration of programs related in any way to agriculture.

The Office represents the Department of Agriculture in the negotiation and implementation of trade agreements and international commodity agreements, and on interagency and interdepartmental committees concerned with the foreign policies and programs of the United States in economic development and financial matters. Similarly this Office advises the Secretary on questions involving foreign trade policy, such as export subsidies, import and export restrictions, tariffs and customs regulations.

The Office also participates in the administration of the agricultural portion of the foreign assistance program (point 4) with funds provided under the Mutual Security Act of 1951. This work involves (1) the direction of training programs for foreign agricultural leaders, and (2) the provision of scientific and technical services to cooperating countries to aid in management of agricultural stations, improve public service in agriculture, and conduct research projects.

On November 30, 1952, employment totaled 563, of which 245 were outside the continental United States. Of the total employment, 121 were chargeable to the appropriation for "Salaries and expenses," and 442 to allocations from other agencies and accounts.

Appropriated funds:	
Appropriated, 1953	$613,124
Revised budget estimate, 1954	673,000

Salaries and expenses

Appropriation Act, 1953	$615,000
Reduction pursuant to sec. 411	−1,876
Adjusted appropriation, 1953, and base for 1954	613,124
Revised budget estimate, 1954	673,000
Increase	+59,876

SUMMARY OF INCREASES, 1954

For checking the performance of foreign countries on agreements regarding imports of United States agricultural products, and for instituting action to obtain compliance, where necessary, including preparation for and participation in annual consultations on import restrictions and discriminations under the General Agreement on Tariffs and Trade	+59,876

Project statement

Project	1952	1953 (estimated)	Increase	1954 revised (estimated)
1. International agricultural trade	$334,406	$343,244	+$59,876	$403,120
2. Foreign production and consumption of agricultural products	262,747	269,880		269,880
Unobligated balance	17,847			
Total available or estimate	615,000	613,124	+59,876	673,000
Reduction pursuant to sec. 411		+1,876		
Total appropriation or estimate	615,000	615,000		

Status of Program

CURRENT ACTIVITIES

American agriculture is geared up to the export market to a degree unparalleled in our recent history. Since 1940, United States production of farm crops has increased 38 percent; exports in 1951 approximated $4 billion, which may have achieved an alltime high. These exports were 5½ times in value and double in volume those of the 5 prewar years, 1935–39. American agricultural exports have been substantially facilitated by economic aid. The reliance on such aid has diminished, however, to the point that in 1951 only 20 percent of our farm exports were paid for with aid dollars.

With shifts in the nature of economic aid, particularly with the emphasis being placed on building the defenses of the Western World against Communist aggression, it is becoming increasingly difficult to maintain foreign markets for American farm products. United States cotton, tobacco, grains, fruits, lard, soybeans, dairy and other products have to compete for scarce dollars with the requirements of these countries for industrial and military items which are obtainable only in the United States. Because of these conditions, foreign governments are imposing an increasingly complex web of import and exchange controls primarily designed to conserve dollar exchange, turning where possible to nondollar sources for agricultural imports.

The maintenance or expansion of export outlets can be assured only by increased efforts to study the individual foreign market situations including the exchange positions of the several countries and the regulations imposed by them, the actual or potential competition from nondollar sources of supply. This situation appears to demand a return, in some degree, to the prewar type of operation formerly carried on by Office of Foreign Agricultural Relations, including the sending abroad of highly competent commodity specialists who are thoroughly acquainted with the production and trade problems involving these commodities in the United States and who are capable of analysing the complex foreign market situations for the guidance of the United States Deaprtment of Agriculture and the producers and exporters of these commodities.

Likewise, it appears essential to participate actively in negotiations in connection with the General Agreement on Tariffs and Trade (GATT) to assure adequate representation and defense of the basic interests of American agriculture under this agreement and the various trade arrangements with the participating countries. These activities reach their highest effectiveness if there is direct consultation with and frequent reporting to farmers and exporters.

Information obtained through these operations is made available to the public and to the interested producers and exporters not only through Foreign Crops and Markets, Foreign Agriculture, Foreign Agricultural Circulars, Foreign Agriculture Trade, the several regular publications of the Office, but is likewise brought directly to the producer and exporter groups through personal reports and consultation by the analysts and marketing specialists on their return to headquarters in Washington. In this way farmers and exporters are provided with up to date information on foreign market possibilities and the competition which their products must face in those markets.

SELECTED EXAMPLES OF RECENT PROGRESS

1. Livestock

After the Secretary's announcement in January 1952 that the border would be open to importation of Mexican livestock on September 1, two members of OFAR's

staff surveyed the livestock situation in Mexico and reported to United States livestock interests, indicating prospects for a fairly heavy initial movement, with a lowering of imports in succeeding years.

2. Tobacco

Western Europe has been a traditional market for United States tobacco—a market which has been well maintained since the close of the war. To assist in all possible ways in supplying information, making contacts with foreign monopolies and other purchasers, the Office has maintained a tobacco specialist in Paris under an allocation of funds from Agricultural Marketing Act. The tobacco staff of the Office in Washington (financed from this appropriation) has supplied its foreign representative with the necessary information for these operations and in turn has informed the appropriate Government agencies, producer and trade groups with a view to expanding European outlets for American tobacco.

3. Cotton

In addition to publication of world summaries on production and international trade, an annual report on world cotton stocks was issued. This carryover is a vital factor in the world price of cotton. A weekly report was issued showing the average export price per pound of competing cottons in specified foreign countries. This is a unique service to the American cotton trade in that it is available from no other source. It provides important guidance in the marketing of United States cotton.

4. Fats and oils

The 1951 survey of fats and oils by Office of Foreign Agricultural Relations showed a new world record of production. It was significant in that the world per capita supply had been restored to the prewar level for the first time since the end of the war.

This is a warning to United States producers of marketing difficulties to come. European oilseed crushers are shifting to Manchurian soybeans. At the same time European and Japanese crushers are complaining that the quality of American soybeans entering the export trade does not meet the grade standards certified in our grading certificates. Steps were taken to determine the basis for these complaints. A member of the staff attended the Congress of the International Association of Seed Crushers in Copenhagen this year. Upon his return he reported his findings to the soybean seed trade who are currently seeking a solution.

5. Grains

Exports of United States wheat and flour exceeded a half-billion dollars in value in 1950–51 and more than three-fourths billion dollars in 1951–52. A considerable part of this trade moved under the International Wheat Agreement. Office of Foreign Agricultural Relations supplied information on foreign production and consumption which was used in determining the United States wheat acreage goals, and in the programing of wheat shipments under the agreement.

6. Rice

During the past year, American rice has found a market in Asia because of the decreased exports from the traditional rice exporting countries of southeast Asia. Information on world production, trade, and requirements has been supplied to United States rice growers and exporters throughout the year. Looking to the continuance of exports to Asia and to bring about a mutual understanding of the problems involved, the Office brought together representatives of the United States rice industry and the Washington representatives of rice-deficit countries of the area for a discussion of rice grades, standards, methods of sales, and other marketing problems.

7. Sugar

Because of the responsibility placed upon the Secretary of Agriculture under the Sugar Act in connection with United States sugar supply, it is necessary to keep abreast of foreign developments so that the United States sugar industry and the Government will have information and be prepared to cope with future problems. The trends for self-sufficiency for sugar around the world, bringing new land into sugar cultivation and the establishment of additional factories indicates that this commodity is rapidly approaching a world surplus situation. Office of Foreign Agricultural Relations followed these developments throughout the year, keeping the Department and the sugar industry informed.

8. Fruits, vegetables and nuts

The expanding production of fruits, vegetables and nuts throughout the world and changing conditions of trade emphasize the need for information on foreign developments in these fields. An appraisal was made of the potential production from new plantings of fruit trees in countries which formerly were important markets for these products. Production and marketing surveys of the Mediterranean citrus areas indicate a rapid expansion of output for the winter marketing season in Europe. A similar trend is evident for apples and pears in Western Europe.

The increase in competitive supplies together with exchange and other trade problems, has increased the difficulties of recapturing for this country the European market for applies, pears, citrus, and dried fruits. As a result of a continuous on-the-ground survey of the problem by RMA marketing specialists, new methods of training have been developed and some fruit has been moved into these important prewar markets. The Office has kept the fruit industry of the United States informed of the changing situation.

9. International commodity agreements

The Office took an active part in discussions relating to renewal of the International Wheat Agreement with the position that importing countries must be prepared to recognize the need for a substantial increase in prices for wheat in any extension of the agreement. The Office participated actively in developing a flexible price formula, designed to protect the United States against excessive subsidy payments due to market changes in the general level of world prices in the future.

Proposals for an International Cotton Agreement were examined from the standpoint of possible advantage to American producers, but without any commitment.

The Office has been preparing data for consideration of an International Sugar Agreement.

10. Reciprocal trade agreements program

The Office initiated and took a leading role in inducing the United Kingdom, under the nondiscriminatory provision of the General Agreement on Tariffs and and Trade, to take a fair share of United States apples instead of exclusively Canadian apples in its 1951–52 apple-purchase program. The Office, as the representative of American agriculture in international negotiations of the trade agreements program, successfully forestalled retaliation by diary-product exporting countries during the 1952 fiscal year against the quotas imposed on imports of such products into the United States pursuant to section 104 of the Defense Production Act. As a result of GATT negotiations conducted under the leadership of this Office in Torquay, England, and Havana, Cuba, the latter country raised by nearly 40 percent the low-duty quota on rice, the most important agricultural export to that country. Throughout 1951 and 1952, this Office pushed constantly for better treatment of United States agricultural products in controlled foreign markets.

11. International agricultural trade analysis

The Office prepared and distributed a monthly analysis of the position of American agricultural products in foreign trade, to keep the Government, farmers, farm organizations and trade advised of the major developments behind the almost record level 1951 agricultural exports and imports. These developments in 1951–52 included an increased world dependence on United States wheat because of adverse weather abroad, increased United Kingdom imports of United States tobacco, and lard, and substantial exports of United States rice to Korea and Indonesia. The Office also reported the increasing reliance of foreign countries on their own financial resources for the purchase of United States agricultural products in view of diminishing United States economic aid.

12. Agricultural production and consumption in Western Europe

During the year, the Office succeeded in presenting the facts to provide for the Department an independent evaluation of the United States foreign-aid programs in Western Europe. It was thus possible to determine requirements which led to heavier United States exports to this area.

13. Trends in Latin American agricultural production

The Office produced a new index of the agricultural production and consumption trends in Latin American countries which will be an important guide in measuring import requirements for agricultural products for this increasingly important market.

14. Trends in agricultural production in southeast Asia

The Office during the year made an assessment of the food supply available to the people of Southeast Asia, thereby providing a degree of guidance to the United States rice trade, and incidental policy guidance respecting the measures essential to checking the spread of communism in this key region.

15. OFAR furnishes from its staff committee members on many interdepartmental committees, examples of which are:

Food and agriculture committees:

1. Interagency Food Committee and its subcommittees: Grain Program, Fats and Oils, Rice Allocations, Fruits, Vegetables, Sugar, Beans and Peas.
2. United States-FAO Interagency Committee

International relations:

1. National Advisory Council on International Financial and Trade Policies (NAC)
2. Interdepartmental Committee on Trade Agreements
3. Committee on Reciprocity Information.

Members of the staff of the Office also serve on the Foreign Trade Advisory Committee of the Bureau of the Census, the Interdepartmental Advisory Council, the USDA Land-Grant College Committee for Cooperations with Foreign Areas, and the National Research Council.

FOREIGN SERVICE

1. Board of Foreign Service: To make recommendations to the Secretary of State concerning the functions, policies, duties, and management of Foreign Service officers. This includes such subcommittees as Appointments and Assignments Board, Staff Board of the Board of Foreign Service and Committee on Foreign Reporting Services.
2. Board of Examiners for the Foreign Service: To provide for and supervise the conduct of such examinations as may be given to candidates for appointment as Foreign Service officers.

International Organizations on which the United States representation includes staff members of the Office are:

FAO COMMITTEES

1. The FAO Long-Term Working Party
2. FAO Commodity Committee

INTERNATIONAL COMMODITY COMMITTEES

1. Interagency Wheat Agreement Committee
2. International Cotton Advisory Committee
3. Interagency Sugar Agreement Committee
4. Interagency Wool Committee
5. International Rubber Advisory Committee

Statement of obligations under allotments and other funds

[Includes only those amounts which, by Nov. 30, 1952, were actually received or programed for 1953 or 1954. Since work for other agencies is performed on a service basis, at the request of those agencies and for their benefit, it is not practicable to estimate in advance the amounts to be received in most cases]

Item	Obligations, 1952	Estimated obligations, 1953	Estimated obligations, 1954
Agricultural Marketing Act, Agriculture (Office of Foreign Agricultural Relations):			
For developing foreign outlets for United States agricultural products and study of foreign competition with such products	$105,403	$115,900	$125,000
For appraisal of factors and trends in world demand for United States agricultural products	21,672	21,500	22,000
Total	127,075	137,400	147,000
Removal of surplus agricultural commodities (Office of Foreign Agricultural Relations): For obtaining information on foreign market developments and other data related to the international aspects of the work under sec. 32 of the act of Aug. 24, 1935	49,165	50,000	65,000
Salaries and expenses, defense production activities, agriculture (Office of Foreign Agricultural Relations): To provide information on foreign agricultural production, supplies, and requirements in relation to the defense mobilization program	105,934	75,000	
Working funds, agriculture, general (Office of Foreign Agricultural Relations) advance from—			
Department of State:			
For training German leaders in the fields of Farm Youth Club organization and leadership	61,408	61,500	
For training leaders in the field of agriculture under the educational exchange program	14,504		
For expenses incident to the foreign trainee program	332,430	538,885	
For economic and technical assistance to friendly nations under the mutual security program	1,073,502	5,263,292	
Department of Defense, Department of the Army:			
For conducting a training program for Japanese agricultural leaders	11,420		
For conducting a training program for Ryukyuan agricultural leaders	14,226		
Special projects	33,734		
Total	1,541,224	5,863,677	
Working funds, agriculture, Office of Foreign Agricultural Relations (special fund) advance from Department of State: For conducting a training program in agriculture for Finnish nationals	17,550	30,800	
Mutual Security (allocation to agriculture) (Office of Foreign Agricultural Relations):			
For expenses incident to the foreign trainee program	2,618,691	447,938	
For preparing statistical information on agricultural conditions and food balances in countries participating in European recovery program	78,830	40,000	
For economic and technical assistance to friendly nations	1,809,935		
Total	4,507,456	487,938	
Advances for study tour, fighting forest fires (advanced from the Food and Agriculture Organization, United Nations) (trust fund): For providing a forest fire fighting training course to forestry officials of 26 other countries	33,000		
Obligations under reimbursements from governmental and other sources:			
Salaries and expenses	110,842	107,600	107,600
Agricultural Marketing Act	10,140		
Total	120,982	107,600	107,600
Total, obligations under allotments and other funds	6,502,386	6,752,415	319,600

Comparison of original and revised estimates, 1954

Project	1953 (estimated)	1954 original budget estimate	1954 revised budget estimate	Change from 1954 original budget estimate
1. International agricultural trade	$343,244	$415,120	$403,120	−$12,000
2. Foreign production and consumption of agricultural products	269,880	269,880	269,880	
Total available or estimate	613,124	685,000	673,000	−12,000
Reduction pursuant to sec. 411	+1,876			
Total appropriation	615,000			

EXPLANATION OF PROPOSED REDUCTION BELOW ORIGINAL BUDGET ESTIMATE, 1954

The proposed reduction of $12,000 in this item below the original budget estimate results in the elimination of assistance to foreign visitors other than those sponsored under economic and other foreign assistance programs.

General Statement

Mr. Andersen. Mr. Short, we will be glad to have your genera statement.

Mr. Short. Thank you, Mr. Chairman. I appreciate the opportunity to appear before your committee to testify in behalf of our foreign agricultural work, and to seek your ideas on how to tackle our international problems.

As you gentlemen know, Secretary Benson called Mr. Fran Wilcox to Washington from California in mid-February, to study and make recommendations as to what should be done about the foreign agricultural work in the Department. Mr. Wilcox spent about 4 weeks making a thorough study of all aspects of the Department's foreign problems and the operations. After consulting with many Members of Congress, farm organizations, and other agricultural leaders, he made his report to the Secretary. He emphasized the tremendous importance of the foreign agricultural work to the American farmer. Secretary Benson, in accepting Mr. Wilcox's report, established the Foreign Agricultural Service as one of the major units of the Department of Agriculture. This new unit replaces the Office of Foreign Agricultural Relations.

I should like to discuss with you briefly our plans for carrying out the reorganization of the foreign work in this Department. We are following Mr. Wilcox's suggestion of dividing the foreign work into two major groups. The first group will consist of foreign production and trade. This will include the economic analysis of foreign production and its competition with American agriculture. It will include a new branch emphasizing trade developments; such as, seeking export outlets for our agricultural commodities. This group will also include a branch for giving more attention to the work of agricultural attachés.

The other major group will consist of our technical assistance work. Funds for this group are transferred to us from other appropriations.

I am here today to testify primarily for appropriations for the first major group, "Foreign production and trade." In order to understand where American agriculture fits into the world picture, we must

first gather, and then assemble and analyze, the facts about world agricultural commodities. We, therefore, have a branch called Foreign Commodity Analysis, which undertakes to do this type of work. In this Branch, we have six divisions. Each division has a group of related commodities. In each division, our people compile data and other information regarding world production, stocks, and the export and import trade of the respective commodities and all available price data. The head of each division follows the world demand and supply for his various commodities and is recognized as an authority in Government circles and farm organizations.

May I mention these commodity divisions, so that you may know on which farm products we are prepared to supply data?

First, I shall mention the Cotton Division, as our cotton exports usually lead the list of farm products in total valuation of our agricultural exports. This division not only compiles data on the world cotton situation, but also gathers all available data on world production and trade, on the vegetable fibers, such as hemp, jute, and abaca. Incidentally, Mr. Chairman, a concentrated effort has been made to gather information on jute and other fibers during the past 2½ years. This has been made possible through the use of defense production funds.

Second, I wish to report on the Grain Division. It handles wheat, rye, corn, barley, oats, rice, and hops. The head of this Division has been very busy during the past 14 weeks as an adviser and the Secretary of the United States delegation to the International Wheat Agreement Conference.

Third, the Livestock Division compiles world livestock numbers, world production and trade of wool, dairy products, and meat production. This Division has been very busy answering letters on importation of New Zealand beef during the past 3 months and is now very busy studying competition and demand for dairy products.

Fourth, the Tobacco Division not only compiles data on the world tobacco situation, but also gathers data on tropical commodities, such as coffee, tea, and cocoa. The head of this Division is at present in the Far East, studying problems concerning the foreign marketing of American tobacco.

Fifth, the Fats and Oils Division follows the world situation on such commodities as flaxseed, soybeans, peanuts, cottonseed, castor beans, tung oil, lard, and tallow, as well as the imported oils, such as cocoanut, palm, and many others. The head of this Division has just returned from an 8 weeks survey of market possibilities in Europe.

Sixth, and by all means not the least, is the Fruit and Vegetable Division. In fact, this Division probably handles more commodities than any other. It supplies information on deciduous fruits, citrus, dried fruits, tree nuts, vegetables, beans, peas, farm seeds, and sugar.

We also have a Machinery and Fertilizer Division. This unit furnishes the information on United States import and export trade of various types of farm machinery and fertilizers, as well as insecticides. This Division was reactivated 2½ years ago, when defense production funds were made available. Since we have been advised that these funds will probably be discontinued on June 30, we expect to discontinue the work of this Division.

Now, I wish to report on a new branch which we are setting up, called Foreign Trade Development. Its purpose is to promote and

stimulate exports of our agricultural commodities. I need not emphasize to this group the importance of agricultural exports to our American economy. I wish only to mention that during the 1951–52 marketing year over $4 billion worth of our agricultural commodities were exported, of which 80 percent was paid for with earned dollars. During the 1952–53 marketing year, the latest estimate on the value of agricultural exports is $2.9 billion. This greatly reduced value also includes a small percentage which is being paid for by our military and MSA programs. With the declining agricultural exports and with mounting agricultural supplies in the United States, you can realize why we wish to emphasize the type of work we are stressing in the Foreign Agricultural Service.

In this new Foreign Trade Development Branch, we are setting up a division called Foreign Marketing Services. This will include the foreign commodity marketing specialists which are being financed by funds from the Agricultural Marketing Act. This year we have had 3 full-time and 5 part-time specialists. The full-time marketing men consist of Fred Motz, a deciduous fruit specialist; Francis Whitaker, on cotton; and George Van Dyne, a tobacco specialist. All of these men have been stationed in Europe. The part-time marketing men have been J. Henry Burke, a citrus expert; Carl C. Campbell, a cotton specialist, who has just gone to the Far East; Henry A. Baehr, a wheat specialist; Paul E. Quintus, a specialist on fats and oils, and John Heckman, on cooperatives.

The amount in the Agricultural Marketing Act budget, for our foreign marketing work in 1954, is $137,900, which is about $9,000 less than the current year. Since we wish to stress this agricultural trade development program to a much greater extent, a larger sum is needed in order to stimulate our farm exports to foreign countries. We understand that some section 32 funds will be made available for this type of work.

In addition to the three full-time marketing specialists we now employ, we need a full-time man for each of the following commodities: Dairy products, fats and oils, citrus fruits, wheat, and rice. In addition to these, we need to strengthen our work on cotton, tobacco, and also have a part-time man on dried fruits, tree nuts, dry beans, and cooperative trade. These marketing specialists will be traveling abroad fully half of the time. These man will be ferreting out export marketing outlets for our commodities that normally enter international trade. Marketing specialists are needed to a much greater extent at present than prior to World War II, as so many countries now have exchange controls and other Government restrictions on import trade from the dollar areas. These men, furthermore, will be able to explain to foreign representatives the great improvement in technical developments of our products, which this country produces. This includes improvement of the quality of these products.

Another unit in the Trade Development Branch is our Trade Research Division. This Division will be keeping track of the import needs, or the export supplies of food and agriculture products for the important countries. It might also be called the Agriculture Intelligence. These people work on the overall economy of a country, which is a potential market for United States farm products. They know whether it has the financial resources to pay for its agricultural imports. They are frequently consulted by the officials of the Export-

Import Bank in appraising requests for specific agricultural loans for the purchase of such commodities as cotton and wheat. For example, Yugoslavia and Pakistan have food shortages this year. Our people are being called on constantly to advise as to the import needs, and the volume and types of foods required. When trade opportunities develop for import needs of certain countries, for various agricultural commodities, these specialists are usually informed about it.

Another division in this Branch is not new, but is one to which we attach a great deal of importance. It is the Trade Analysis and Agreements. This Division carries the major responsibility for our agricultural interests in the United States trade-agreement program. The Department of Agriculture must, at all times, be alert in seeking the lowering of agricultural import duties by other countries, and at the same time in refusing to agree to the lowering of United States import duty rates on agricultural commodities unless we receive as much in return.

As you know, the Department of State represents the United States at international meetings on GATT. At all major meetings, however, the Department of Agriculture is represented. In Washington, the Department of Agriculture is a member of the departmental committee that considers, and generally arrives at, decisions on GATT problems.

Furthermore, our people in this Division are constantly at work on following through on agreements with various countries affecting agriculture.

I come now to the third branch of this major group, which, for the present, we call the Attaché Service. As you know, the agricultural attachés and officers were transferred to the Department of State in 1939. The Foreign Service Act, passed in 1946, set up a united Foreign Service, under the Department of State and created the Board of Foreign Service which acts as a board of directors.

The Department of Agriculture has not been satisfied with the services it has received under the united Foreign Service. We wish to use part of the increase in funds allotted to us by the Bureau of the Budget for 1954 to strengthen our work in managing and directing the services of the agricultural men stationed abroad, who gather the basic data that is so vital for us in Washington and for the agricultural interests of the country. The Department of Agriculture must have more contact with our agricultural factfinders stationed abroad. These men must be kept informed of our domestic agricultural problems in order to be able to supply the types of information most useful to the Department.

Also, Mr. Chairman, in the new setup in our office, I plan to have a small unit called the Foreign Trade Policy Division. I wish to have this headed by an economist who can advise me and the Secretary objectively on foreign trade policy problems. This man should be able to advise congressional and other agricultural leaders on the kind of foreign trade policies that are advantageous for the American farmer. This unit would be responsible for studying agricultural trade policies of other countries and recommend action for this Government in regard to imports or exports. I consider our agricultural trade policy a very important function of the Foreign Agricultural Service, as I realize the impact that our agricultural trade

policies will have on actions taken by foreign governments in regard to the importation into their countries of our agricultural commodities.

Mr. ANDERSEN. I appreciate very much the splendid statement you have just made, Mr. Short. I feel that finally we are embarking upon the right road by adopting a long-range policy of securing markets abroad.

Mr. Horan, of Washington, as you know, has been one of the leading exponents in the Congress of the United States on improving our trade relations abroad. I am going to ask Mr. Horan at this point to lead the discussion relative to this subject.

EVALUATION OF THE PROGRESS MADE DURING THE LAST 20 YEARS

Mr. HORAN. I will be very glad to do so. I pose as no expert in this field. I am very much interested and it behooves all of us, and I am sure the entire subcommittee feels the same way, to try to find an understanding of the problems which concern foreign trade, both exports and imports. I am sure we all want to do as much as we possibly can about this difficult problem. We would be glad to have from you an evaluation of any progress that has been made during the last 20 years' time. I think we ought to have an evaluation of any mistakes we have made during the last 20 years.

Certainly, if they have been made by men, men can correct them, if they have the light of the information thrown on them.

I want to say for the previous subcommittee, under the leadership of our colleague from Mississippi, Mr. Whitten, that we went as deeply as we knew how into this problem, and I think we recognize throughout the hearings that we have had a problem before us. I trust perhaps this morning we might be able, in the light of action that has already been taken, to review some of these matters, and enlighten all of us so that we may be able to work more closely together on something that is vital to American agriculture.

Mr. SHORT. Mr. Chairman and gentlemen, I appreciate very much that statement. First, let me say in response that as some of you know, I am a farmer, and I have been the recipient over the years of technical assistance. I have been a recipient of technical assistance in farming activities resulting from the land-grant college assistance program. I am still a farmer with my son running my farm. I do not know of anyone who can, and I have found it hardly possible myself, to keep up with the tremendous transition which has taken place in American agriculture in the last 15 years.

Today I have more alternatives in the use of my agricultural resources, and this is true of all American farmers, than we ever dreamed of some 10 years ago.

Presently we are producing from 55 million to 60 million acres of crops for export, and that represents a tremendous production.

NEED FOR UP-TO-DATE INFORMATION ON FOOD CONSUMPTION AND DISTRIBUTION

There has been a tremendous trend and shift in production and in distribution since the beginning of World War II. That is important, and therefore it seems to me that it is very vital for America to have

up-to-date information on what is taking place in the way of food consumption and distribution throughout the world.

As a result of the shifts that have taken place we must have such information in order to utilize more wisely our agricultural resources, and in order to do that to the greatest extent possible, we need to understand our overall international relations.

Today I am able to produce rice, cotton, and beef cattle, and the feed crops which go along with that kind of agricultural program. I can make shifts in production provided I am supplied the information, not only of our domestic needs, but what may be the overall demand for the products of agriculture.

If we have a proper understanding of this relationship, many of the difficulties connected with building up surpluses in different commodities can be taken care of.

Now, we do not have either the information as to the trends and demands, or the information quickly enough to enable us to shift our production, although I think it is much more possible today than a few years ago. I think that is the reason why it is of so much importance that we have better contacts with our attachés, our agricultural people in the world who are out collecting this information.

HISTORICAL BACKGROUND

Mr. HORAN. Mr. Short, in order that we have the picture as to where we are and what has been done, I would like to ask a series of questions that will bring us up to date.

When and by whom was the office of Foreign Agricultural Service first inaugurated?

Mr. ROSSITER. Do you mean currently?

Mr. HORAN. No, I mean in the beginning.

Mr. ROSSITER. In 1930.

Mr. HORAN. It was the outgrowth of someone who earlier saw the need for this, as I understand. Who was that one man?

Mr. ROSSITER. I think Henry Wallace's activities led to the establishment of the Foreign Agricultural Service, as I recall. He was very unhappy about another organization in another department, which had specialistis, and he demanded that agriculture should have specialists to serve in this field. That was about 1930. And about that time there was a basic law passed setting up the Foreign Agricultural Service in the Agriculture Department—I think it was in 1930.

Mr. HORAN. Did Mr. Wallace do that in his capacity as editor of a farm paper?

Mr. ROSSITER. That is correct.

Mr. HORAN. It was conceded at that time that it was to be a service.

Mr. ROSSITER. That is right.

Mr. HORAN. Not a matter of relationship.

Mr. ROSSITER. That is right.

Mr. HORAN. When was the name of this institution or branch of the Department changed from "Service" to "Relationship"?

Mr. ROSSITER. In 1939 following President Roosevelt's Reorganization Plan No. 2, which transferred the agricultural attachés and commercial attachés in the field to the Department of State. It was felt that confusion would result from having a foreign service in the Department of State and also in the Department of Agriculture. I do

not know whether anyone requested at that time, that we should give up the name of Foreign Agricultural Service, but in 1939, the change was made to Foreign Agricultural Relations.

Mr. HORAN. I think that the transition that took place from a service to American agriculture, reduced its emphasis, so that it merely became in the order of a service for the entire United States.

Mr. ROSSITER. For the United States Government.

Mr. HORAN. That is right. And it became a matter of consideration of the overall program.

Mr. ROSSITER. Yes.

Mr. HORAN. Whether it was a service related to the import and export problems, or whether it was a consumer goods-import problem. Agriculture was fitted into that niche.

Mr. ROSSITER. Yes.

Mr. HORAN. And the feeling at that time seemed to be overwhelming among those concerned with it, that it was the proper way to approach it.

Mr. ROSSITER. Yes.

Mr. HORAN. Now, prior to that time there had been attempts made through commodity specialists and others to increase the availability of markets for the American farmer?

Mr. ROSSITER. That is correct.

Mr. HORAN. Now what occurred with this change? The attachés of both the Commerce and the Agriculture Departments became answerable to the Secretary of State; is that correct?

Mr. ROSSITER. Yes, sir.

Mr. HORAN. Prior to that time they had been answerable to the respective Secretaries of the respective Departments?

Mr. ROSSITER. That is correct.

Mr. HORAN. What other departments have attachés who were not affected by this reorganization?

Mr. ROSSITER. The military. The military were not included. I do not believe the Treasury or the Labor Departments had attachés stationed abroad in 1939. The Treasury Department at present has attachés who are not a part of the Foreign Service. The Labor Department attachés are a part of the United States Foreign Service under the Department of State.

Mr. HORAN. And they are answerable to the Secretary of State?

Mr. ROSSITER. Yes.

Mr. HORAN. But the military attachés are not?

Mr. ROSSITER. That is correct.

NEW AGENCIES ENTER FIELD OF FOREIGN AGRICULTURAL RELATIONS

Mr. HORAN. Since the end of the war, what new agencies have entered into the field of foreign agricultural relations?

Mr. ROSSITER. You mean United States agencies?

Mr. HORAN. Yes; overseas.

Mr. ROSSITER. The TCA, and the MSA, as you know, do a certain amount of agricultural work, through the technical-assistance work. Also the Institute of Inter-American Affairs has been doing some agricultural work.

Mr. SHORT. That started during the war.

Mr. ROSSITER. Yes; that started during the war.

Mr. HORAN. Generally we list them as MAS-TCA and the State Department and Agriculture attachés are——

Mr. SHORT. AFAS.

AGRICULTURAL SPECIALISTS SERVING IN OVERSEAS AREA

Mr. HORAN. What is the grand total of all those, in the four categories which I have mentioned, abroad today?

Mr. SHORT. The total overall.

Mr. ROSSITER. The number of agricultural men in various capacities?

Mr. HORAN. In capacities available in this field.

Mr. ROSSITER. We do not have that figure.

Mr. WHEELER. I think we will be able to suply that.

Mr. HORAN. I had it a year ago. It was something like 750, or thereabouts.

Mr. ROSSITER. We will be very glad to get it for you.

(Information requested is as follows:)

Agricultural specialists serving in overseas areas of the Mutual Security Agency, as of Mar. 27, 1953

Name	Title	Salary
Office of the United States special representative in Europe: [1]		
DA staff: [2]		
Lawrence H. Norton	Director, Food and Agriculture Division	$12,800
Charles M. Elkinton	Deputy Director, Food and Agriculture Division	12,700
Trimble R. Hedges	Chief, Plans and Programs	11,130
Kenneth L. Bachman	Agricultural economist	9,950
Bruce F. Johnston	do	9,230
TA staff: [3]		
Charles U. Duckworth	Veterinarian	11,500
Irwin R. Hedges	General agriculturalist (OT) (duty station: Ankara, Turkey).	11,130
Hugh K. Richwine	Farm machinery specialist	10,550
Merle T. Jenkins	Hybrid corn specialist	9,950
William F. Watkins	Fertilizer specialist	9,950
Elmer O. Anderson	Dairy specialist	9,950
James S. Hathcock	Agricultural specialist	10,850
Frank S. Jamieson	Marketing specialist	9,950
D. R. Dodd	Crop production specialist	9,950
J. C. Hackleman	do	9,950
Gerald McKay	Audio-Visual specialist (Agriculture)	8,481
Katherine Holtzclaw	Home economist	8,721
Landis Bennett	Audio-visual specialist (Agriculture) (duty station: Rome, Italy.)	8,481
Gerald H. Huffman	Agricultural extension specialist	9,950
Wallace L. Kadderly	Agricultural information specialist	9,950
Austria:		
DA staff: Herman E Hendricks	Food and agriculture officer	11,150
TA staff:		
Ernest J. Nesius	Agricultural economist	9,470
Ben H. Mayfield	Forestry economist	7,929
Belgium	Agricultural attaché serves MSA in joint capacity	
Denmark:		
DA staff: George L. Peterson	Food and agriculture officer (also serves as agricultural attaché).	11,150
France:		
DA staff: Edmond A. Perregaux	Chief, Food and Agriculture Division	11,150
TA staff:		
Morris Paddick	Productivity specialist (agriculture)	9,470
J. G. Richard	Agricultural extension specialist	9,230
Germany:		
TA staff: Eugene J. Epstine	Deputy Chief, Food and Agriculture Division	9,470
Greece:		
DA staff:		
Brice M. Mace, Jr.	Director, Food and Agriculture Division	12,700
Edwin J. Barthen	Assistant Director, Food and Agriculture Division	10,250

[1] European office serving all of Western Europe and also representing the United States on OEEC, EPU, NATO committees, FAO, IFAP, and other Europeanwide organizations.

[2] Has administrative responsibility for food and agriculture program.

[3] Agricultural specialists serving ministries of agriculture in the participating countries and the United States missions in those countries on technical agricultural matters.

Agricultural specialists serving in overseas areas of the Mutual Security Agency, as of Mar. 27, 1953—Continued

Name	Title	Salary
Greece—Continued		
TA staff:		
Charles M. Harris	Reclamation engineer	$10,250
Walter E. Packard	Agriculture production specialist	11,130
Joseph M. Cowden	Agriculture cooperative specialist	9,470
Marvin Klemme	Range management specialist	8,961
James D. Pope	Resident, training and extension adviser	11,850
Russell H. Gist	Agricultural extension specialist	9,710
Charles E. Yale	do	9,710
Rachel Markwell	Rural training specialist	8,961
Catherine Z. Zavardas	Assistant rural training specialist	3,651
John P. Choplin	Agricultural extension field trainer (Salonika)	8,481
Stuart C. Bell	Agricultural extension field trainer	8,481
Biver E. Grant	Tobacco production specialist	9,470
Iceland:		
TA staff: Robert O. Brunner	Serves as overall MSA officer, including food and agriculture officer.	6,087
Italy:		
DA staff	Agricultural attache serves MSA in joint capacity	----------
TA staff:		
William E. Corfitzen	Reclamation specialist	11,850
John W. Howard	Assistant reclamation engineer	9,201
Ralph F. Germann	Production specialist	8,481
Joseph di Franco	Extension service specialist	7,095
The Netherlands:		
DA staff: Charles P. Fossum	Food and agriculture officer	11,150
Norway:		
DA staff	Agricultural attaché serves MSA in joint capacity	----------
Portugal:		
DA staff	Agricultural officer serves MSA in joint capacity	----------
TA staff: Paul R. Miller	Agricultural production specialist	10,250
Spain:		
DA staff: (None)	----------	----------
TA staff: (None)	----------	----------
Switzerland:		
DA staff: (None)	----------	----------
TA staff: (None)	----------	----------
Turkey:		
DA staff	Served by Irwin Hedges, borrowed from pool in SRE	----------
TA staff:		
Elmer A. Starch	Chief, agricultural advisory group	12,800
Harry G. Gould	Extension methods adviser	10,550
Burl Winchester	Livestock adviser	10,550
George E. Brandow	Farm management and marketing adviser	9,950
Carl M. Forsberg	Irrigation specialist	9,230
Alton G. Leverson	Farm machinery adviser	9,230
Harvey Oakes	Soil management specialist	9,950
Wallace E. Lemons	Agricultural information specialist	9,230
Floyd E. Brown	Small irrigation specialist	9,230
Donald J. Luebbe	do	9,230
Ralph E. Johnston	Grass and forage production specialist	9,230
Robert F. Reitemeier	Soils technician	9,230
William Goodbary	Animal husbandry	9,230
Howard D. Finch	Vocational education specialist	9,230
Harry J. Doyle	Machine servicing and operating specialist	9,470
Orville Ufford	Poultry production specialist	8,481
United Kingdom:		
DA staff: Burton A. Baker	Agricultural specialist	11,500
China (Formosa):		
DA staff: (None)	----------	----------
TA staff:		
Claude M. Adams	Fisheries adviser	10,250
James A. Hunter	Chief, Animal Industry Division	9,230
Ralph Gleason	Chief, Fertilizer Division	9,950
Bernhardt Jensen	Chief, Rural Economics Division	9,470
Thomas R. Smith	Chief, Irrigation Division	9,470
Augustus J. Brundage	Rural youth training adviser	8,721
Clark C. Milligan	Crop reporting adviser	8,721
I. John Javrotsky	Junior program analyst (rural organization specialist)	4,719
Saigon:		
DA staff: Harold Schwartz	Agriculture officer	10,850
TA staff:		
Paul Allen	Extension service adviser	9,950
Randall Stelly	Agricultural economist	7,929
Virgil Isbell	Sawmill engineer (heavy equipment)	7,275
Harry E. Timmis	Fisheries adviser	9,470
Orville Hosmer	Irrigation and drainage engineer	9,230
Joseph J. Stroup	Agronomist (rice seed improvement)	8,481
George Brown	Forest utilization adviser	9,441
Philippines:		
DA staff: Ray Johnson	Director, Agriculture Division	11,500

Agricultural specialists serving in overseas areas of the Mutual Security Agency, as of Mar. 27, 1953—Continued

Name	Title	Salary
Philippines—Continued		
TA staff:		
Ray E. Davis	Land settlement adviser	$9,470
Joe E. Walker	Agriculture production adviser	9,950
Claude Clayton	Agricultural economist	9,950
Leland Call	Agriculture research adviser	9,950
John L. Cooper	Rural credit cooperative adviser	9,710
Eric Wilson	Irrigation engineer adviser	9,230
Paul A. Gantt	Animal production adviser	9,470
Winslow L. Gooch	Forest production utilization adviser	9,470
Robert S. Hardie	Land tenure specialist	10,250
Ivan Miles	Fertilizer specialist	9,230
Donald DeLeon	Coconut specialist	9,230
James P. Emerson	Agriculture information specialist	8,721
Leonard Berlin	Cadastral engineer	8,961
John Hepler	Agriculture extension adviser	10,850
Paul Bedard	Forest management adviser	9,230
Clement Orrben	Soil management adviser	9,470
Harper Johnson	Rural youth adviser	8,481
Lawrence Doran	Agriculture extension adviser	9,470
Beatrice Billings	Home economics extension adviser	8,481
Vernon Baker	Irrigation engineer adviser	8,721
Henry Townes	Entomologist	8,481
Frank Moore	Poultry adviser	8,481
James Robinson	Animal husbandry adviser	8,721
Thailand:		
DA staff: Carl Leveau	Agriculture officer	10,250
TA staff:		
Robert L. Pendleton	Soils science adviser	10,550
Harry H. Love	Rice breeding adviser	9,950
Richard Pringle	Agricultural economist	9,950
John Williamson	Livestock specialist	9,230
Stanley Phillippi	Irrigation specialist	9,450
Rene Guillou	Agricultural engineer	9,470
Milton E. Lobell	Fisheries specialist	9,230
James S. Owens	Soil fertility specialist	8,481
E. B. Coffman	Agronomist (field crops)	8,481
Jack R. Hartline	Agricultural extension specialist (information)	7,689
William E. Bembower	Horticulturist	7,929
Darwin D. Solomon	Agricultural extension specialist	7,095
Joseph R. Thysell	Rice breeding adviser	6,681
Erwin R. Brooks	do	6,501
William M. Kirkpatrick	Machinery and maintenance engineer	7,095
Theodore Plaister	Livestock production assistant	6,501

Point 4 personnel engaged in agricultural activities (excluding Department of Agriculture personnel)

NEAR EAST AND AFRICA DEVELOPMENT SERVICE (TITLE II)

Country and name	Title	Salary	Employing agency
Iran:			
Robert T. Camp	Vocational agricultural educational instructor	$6,113	FSA
Leonard Cundiff	do	6,113	FSA
Nathaniel Farris	do	6,113	FSA
Rolla L. Amsberry	do	5,313	FSA
Everett M. Cree	Vocational agricultural specialist	5,313	FSA
Samuel E. Fuhr	do	5,313	FSA
George D. Derr	do	5,313	FSA

ASIA DEVELOPMENT SERVICE (TITLE III)

Burma:			
Isom Deshotels	Assistant agricultural officer	$10,250	TCA
John M. Deal	Plant disease control adviser	9,470	TCA
Ernest V. Staker	Agricultural chemist	8,721	TCA
Indonesia:			
Edward L. Waldee	Assistant agricultural officer	9,710	TCA
Chester A. Woolard	Agricultural economist	9,470	TCA
Fayette W. Parvin	Agricultural extension specialist	8,481	TCA
Robert L. Green	Agricultural engineer	9,470	TCA
Jorge A. Madamba	Rice breeder	6,501	TCA
Robert I. Jackson	Hybrid corn breeder	7,095	TCA

Point 4 personnel engaged in agricultural activities (excluding Department of Agriculture personnel)—Continued

INSTITUTE OF INTER-AMERICAN AFFAIRS (TITLE IV)

Country and name	Title	Salary	Employing agency
Bolivia: William J. Green	Chief of field party	$10,630	TCA
Brazil:			
William Lodwick	Chief of party	12,800	TCA
George N. Ware	Agricultural program officer	9,130	TCA
Chile:			
Wilford E. Johns	Chief of field party	11,030	TCA
E. Lloyd Barber	Agricultural economist	7,563	TCA
Richard L. Winters	Soil scientist	7,263	TCA
Jay H. Hardee	Forester	6,313	TCA
Grover C. Kincaid	Soil conservationist	7,263	TCA
Louis E. Guzman	Apprentice technician	5,079	TCA
Costa Rica:			
Freeman P. Smith	Assistant Chief of party	8,863	TCA
Harvie E. Lowry	Agricultural program officer	7,263	TCA
James T. Soules	Agronomist	7,263	TCA
James R. Hunter	Agricultural officer	5,279	TCA
Warren A. Sanger	Agricultural machinist technician	6,113	TCA
Ecuador:			
George N. Wakefield	Agricultural specialist	6,113	TCA
Conrad H. Liden	Vocational agriculturist	6,113	TCA
Haiti:			
Wilfred G. Purdy	Assistant chief of field party	9,130	TCA
Cecil O. Gingrass	Agronomist	7,263	TCA
Bill Stowe	Agricultural officer	7,863	TCA
Charles B. Wiggin, Jr	Agricultural program officer	5,913	TCA
George H. Gargreaves	Irrigation engineer	8,863	TCA
James A. Urano	Extention specialist	5,913	TCA
Donald L. Bush	Veterinarian	7,863	TCA
John W. Anderson	Tropical agricultural specialist	5,079	TCA
Helen A. Bjorklund	Home demonstration agent	6,113	TCA
Honduras:			
William B. Pace	Chief of field party	9,730	TCA
Anacleto G. Apodaca	Agricultural extension officer	7,863	TCA
Raymond G. Cason	Soil scientist	6,113	TCA
Robert R. Peterson	Agriculturist (assistant chief of party)	8,463	TCA
Herbert A. Prevett	Agricultural engineer	6,113	TCA
Frederick H. Vogel	Forester	7,563	TCA
William E. Schaefer	Agricultural program officer	6,113	TCA
Alfonso Varela	Entomologist	6,963	TCA
Harry Trembley	Ground water specialist	7,563	TCA
Mexico: Marion N. Walker	Agricultural adviser	9,730	TCA
Panama:			
Louis Albert Gattoni	Agronomist	7,863	TCA
Clayton L. Schroeder	Agricultural specialist	8,163	TCA
Otto L. Hubp	do	8,463	TCA
Paraguay:			
Carson O. Crocker	Chief of field party	9,730	TCA
Henry A. Allpress	Agricultural economist	7,263	TCA
Luis A. Alvarez	Plant pathologist	6,963	TCA
Louis J. Franke	Assistant chief of party	9,130	TCA
Charles Breitenbach	Agronomist	7,863	TCA
Sam Dameron	Supervisor credit specialist	8,163	TCA
Emilio Vales Vargas	do	5,913	TCA
Einar Faber	Ranger management specialist	6,963	TCA
Edward B. Hamill	Forestry specialist	10,030	TCA
Dr. David B. Porter	Veterinarian	7,263	TCA
Pedro F. Tirado-Sulsona	Soil scientist	7,263	TCA
Edgar N. Langley	Agricultural extension officer	6,113	TCA
Guadalupe M. Ramirez	do	7,263	TCA
John M. Halpin	Extension specialist	7,263	TCA
Peru:			
George A. Woolley	Assistant chief of party	9,130	TCA
Norman M. Ward	do	9,130	TCA
Joel H. Thornton	do	9,130	TCA
Margaret J. Bazo	Professional assistant	5,223	TCA
Stephen O. Kramer	Machinery specialist	4,047	TCA
Charles Barnett	Agricultural reports officer	5,079	TCA
Fred L. Wheeler	Property officer	7,263	TCA
A. Louise Bryant	Home economics consultant	8,463	TCA
Ira F. Mattatall	Food production officer	6,513	TCA
Jack T. Jackson	Agricultural technician	6,513	TCA
George A. Neale	Animal husbandry specialist	5,913	TCA
G. Carl Thompson	Veterinarian	7,863	TCA
Harold D. Koone	Entomologist	5,079	TCA
Carl T. Sturdivant	Agricultural engineer	8,863	TCA
John A. Hanson	Water resources specialist	6,600	TCA

AGRICULTURE EMPLOYEES SERVING OUTSIDE CONTINENTAL LIMITS OF THE UNITED STATES

Mr. HORAN. I would also like inserted in the record a list of employees of the Department in various types of agricultural work abroad that are being paid for by the American taxpayer.

Mr. WHEELER. The statement to which you refer was prepared by the Department of Agriculture in response to an earlier request of the committee for a list of all of the Department of Agriculture employees stationed outside the United States, its Territories, and possessions. We submitted that list to the committee earlier. It is in two parts: The first part covers employees paid from appropriations to the Department of Agriculture, and that would include such things as individuals stationed in Mexico on the foot-and-mouth-disease work.

Mr. HORAN. That is decreasing, of course, at this time.

Mr. WHEELER. Yes. This statement refers to employment on March 26, 1953.

Mr. HORAN. At this point in the record that will be inserted.

(The statement referred to follows:)

Costs incurred abroad under Department of Agriculture appropriations in connection with activities of the Department conducted by employees serving outside the United States and its Territories and possessions

	Estimated obligations, fiscal year 1953
Appropriations:	
Agricultural Marketing Act (RMA title II)	$58,573
Salaries and expenses, Bureau of Animal Industry	100,000
Eradication of foot-and-mouth and other contagious diseases of animals and poultry	963,800
Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering	21,585
Salaries and expenses, Bureau of Entomology and Plant Quarantine:	
Insect investigation	153,000
Insect and plant-disease control	178,000
Production and Marketing Administration: International Wheat Agreement	17,803

The following list indicates the nature of the work, and the names, titles, grades, basic salaries, and locations of employees paid from appropriations to the Department who were serving abroad on March 26, 1953.

Employees paid from appropriations to the Department of Agriculture, who were serving outside the United States and its Territories and possessions on Mar. 26, 1953

Appropriation, agency, nature of work, and name of employee	Position title	Grade	Basic salary	Location
Agricultural Marketing Act (RMA title II)—Allotment to Foreign Agricultural Service—Reporting on foreign agricultural policies and practices affecting marketing of agricultural commodities; findings used by the Department, and by exporters and importers, in formulating marketing programs and in carrying out market activities:				
Specialist on cotton: Francis H. Whitaker	Agricultural economist (cotton)	GS-14	$10,200	Headquartered in Paris, France; travels extensively in Europe, Africa, and the Near East.
Specialist on tobacco: George W. Van Dyne	Agricultural economist (tobacco)	GS-14	10,200	Do.
Salaries and expenses, Bureau of Animal Industry—Research of foot-and-mouth disease:				
Chester N. Dale	Veterinarian	GS-14	9,800	Amsterdam, Holland.
William F. Ribelin	do	GS-11	5,940	Do.
Ruth A. Guth	Administrative assistant	GS-7	4,580	Do.
Milton Savan	Veterinarian	GS-11	5,940	Lindholm Island, Denmark.
Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Bureau of Animal Industry—Preventive measures against foot-and-mouth disease:				
Daniel F. Werring	do	GS-14	9,600	Mexico City, Mexico.
Forrest E. Henderson	District supervisor	GS-13	8,560	Do.
Earl R. Mackery	do	GS-13	8,960	Do.
Walter A. Schuehle	do	GS-13	8,360	Do.
Allen A. Heflin	Veterinarian	GS-13	8,560	Do.
Charles T. Caraway	Assistant district supervisor	GS-12	7,440	Do.
Ries R. Lindley	do	GS-12	7,440	Do.
Norvan L. Meyer	do	GS-12	7,040	Do.
Calvin C. Oldham, Jr	do	GS-12	7,240	Do.
William W. Brown, Jr	Veterinarian	GS-12	7,040	Do.
Hugh Beasley	do	GS-11	5,940	Do.
Robert G. Freel	do	GS-11	5,940	Do.
Oswald H. Graham	do	GS-11	6,340	Do.
Walter Heinen	do	GS-11	5,940	Do.
Herbert C. Holk	do	GS-11	6,340	Do.
Frank C. Huster, Jr	do	GS-11	6,340	Do.
Jack L. London	do	GS-11	6,340	Do.
Robert E. Scott	do	GS-11	6,340	Do.
George W. Spangler	do	GS-11	5,940	Do.
Willie J. Turner	do	GS-11	5,940	Do.
Ernestina Esquivel	Administrative officer	GS-11	5,940	Do.
Harold M. Kersch	Fiscal accountant	GS-11	5,940	Do.
Robert J. Glass	Veterinarian	GS-9	5,060	Do.
Garner J. Grissam	do	GS-9	5,810	Do.
Donald W. Johnson	do	GS-9	5,060	Do.
Elmer L. Lashua	do	GS-9	5,810	Do.
John B. Simpson	do	GS-9	5,185	Do.

Employees paid from appropriations to the Department of Agriculture, who were serving outside the United States and its Territories and possessions on Mar. 26, 1953—Continued

Appropriation, agency, nature of work, and name of employee	Position title	Grade	Basic salary	Location
Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering:				
Cotton-breeding investigations: Lawrence R. Lytton	Agriculturist	Unallocated	[1] $4,705	Iguala Taxco, Mexico.
Plant exploration in foreign fields to collect plants, and information on their growth, history, and use, for the purpose of obtaining plants valuable to the United States; employee is in travel status, working in various countries of Central and South America: Howard Scott Gentry.	Botanist	GS–12	7,040	Mexico City, Mexico (temporary duty station while in travel status).
Salaries and expenses, Bureau of Entomology and Plant Quarantine: [2]				
Insect investigations:				
Investigations on fruitflies, including citrus blackfly:				
Arthur C. Baker	Entomologist	GS–13	9,360	Mexico City, Mexico.
William E. Stone	do	GS–12	8,040	Do.
J. F. Cooper	do	GS–12	7,040	Do.
John C. Shaw	do	GS–11	5,940	Do.
Herbert D. Smith	do	GS–11	6,740	Do.
Miyanooto McPhail	do	GS–9	5,060	Do.
Enriqueta A. DeWit	Administrative assistant	GS–7	4,955	Do.
Edwina deB. Pages	Clerk	GS–5	3,910	Do.
Juan A. Ramirez	Scientific aide	GS–4	3,655	Do.
Francisco Servin	Biological aide	GS–1	2,740	Do.
Carl O. Peterson	Entomologist	GS–9	5,935	Ciudad Valles, San Louis, Potost, Mexico.
Leonard M. Spishakoff	do	GS–9	5,435	Guaymas Sonora, Mexico.
Robert H. Rhode	do	GS–5	3,660	Do.
	do	GS–12	8,040	Paris, France.
Research on enemies of insect pests; and collecting, rearing, and shipping them to the United States for colonization: Harry L. Parker.	do	GS–7	4,205	Bombay, India.
Collecting, rearing, and shipping parasites of the pink bollworm and other cotton insects to the United States for colonization in infested areas: George W. Angalet.				
Insect and plant disease control:				
Pink bollworm control activities:				
Clifford S. Rude	do	GS–11	6,340	Torreõn Coah, Mexico.
Thomas Tidmore	do	GS–9	5,185	Do.
David Treveno	Control aide	GS–5	3,660	Hermosillo, Mexico.
James H. Baldas	do	GS–5	3,785	Victoria Tamps, Mexico.
Dennis H. Currie	Agriculturist	GS–11	6,740	Torreon Coah, Mexico.
Maria G. Casteneda	Clerk-stenographer	GS–2	2,990	Do.
Joseph N. Crisler	Agriculturist	GS–11	6,740	Matamoros, Mexico.
James M. Dunham	do	GS–9	5,560	Do.
Guadalupe Valdez	Inspector	Unallocated	1,620	Do.

Maria E. Plata	Clerk-stenographer	GS-2	2,830	Do.
Sara Dolores Reina	do	GS-2	2,830	Do.
Homer B. Title	Agriculturist	GS-9	5,560	Reynosa Tamps, Mexico.
Roy C. Page	Supervisory control aide	GS-7	4,955	Do.
Mexican fruitfly control activities and citrus balckfly surveys:				
Walter K. Clore	Agriculturist	GS-11	6,540	Monterrey, Mexico.
Gloria C. Garza	Clerk-stenographer	Unallocated	1,440	Do.
Production and Marketing Administration, International Wheat Agreement—Alternate United States representative on the Executive Committee of the International Wheat Council and representative on the Price Equalization Committee:				
Earl O. Pollock	Administrative officer	GS-15	11,050	London, England.
Janet C. Lindley	Secretary	[3]	[3]	Do.

[1] In addition, this employee receives $906 per year from funds contributed to the work by the National Cotton Council.

[2] In addition to the employees listed, there is a group of employees, comprised mostly of native laborers, hired only for the crop season to assist in the field work. As of Feb. 28, 1953, there were 41 full-time and 57 part-time employees of this type. More current information is not available in Washington, but it is estimated that the number on Mar. 26, 1953, is approximately the same as in February.

[3] This employee is a British subject, not in a classified grade, serving as secretary to Mr. Pollock. Her salary is at the rate of £470 per annum, which would be $1,316 at the rate of exchange of $2.80 per pound.

Prepared by Office of Budget and Finance, Division of Budgetary and Financial Reports, Mar. 30, 1953.

EMPLOYEES OUTSIDE THE UNITED STATES PAID FROM FUNDS ALLOCATED OR ADVANCED FROM OTHER AGENCIES

Mr. WHEELER. The next part of the statement covers employees of the Department of Agriculture stationed outside the United States, its Territories and possessions, paid from funds allocated or advanced from agencies outside of the Department of Agriculture for services performed for those agencies.

Of course that largely refers to point 4 and other State Department programs for which funds were allocated to the Department of Agriculture to carry out the programs on behalf of those agencies.

Mr. HORAN. I want to get this in the record, so as to have the record complete.

(The statement referred to follows:)

Costs incurred abroad under funds allocated or advanced from agencies outside the Department in connection with services performed for such agencies by Department of Agriculture employees serving outside the United States and its Territories and possessions

Department agency, source of funds, and nature of service:	*Estimated obligations, fiscal year 1953*
Bureau of Animal Industry: Reimbursable work for Department of the Army (classified project)	$86,400
Bureau of Plant Industry, Soils, and Agricultural Engineering:	
Advance from Institute of Inter-American Affairs for rubber development work	235,168
Advance from Reconstruction Finance Corporation for research and surveys relating to abaca production	54,900
Bureau of Entomology and Plant Quarantine: Advance from Department of the Navy for entomological research	15,000
Foreign Agricultural Service:	
Advance from Mutual Security Act funds for carrying out technical cooperation agricultural programs in point 4 countries:	
Near East and Africa:	
Expenses paid from allocations to Department of Agriculture [1]	1,286,075
Expenses paid directly by the Technical Cooperation Administration [1]	506,940
Asia and Pacific:	
Expenses paid from allocation to Department of Agriculture [1]	1,374,635
Expenses paid directly by the Technical Cooperation Administration [1]	391,980
Latin America:	
Expenses paid from allocation to Department of Agriculture [1]	1,171,980
Expenses paid directly by the Technical Cooperation Administration [1]	575,468

[1] Under this program the allocations of funds to the Department of Agriculture are used to pay the salaries, foreign post differential, movement of household goods, and travel (including dependents) between the United States and post of duty of employees of the Department serving abroad. All other expenses incident to the services performed by such employees are paid by the Office of Technical Cooperation maintained in each of the respective foreign countries. These latter costs include post and quarters allowances, travel in the field, office rent, supplies, equipment and its maintenance, and other similar expenses. The TCA offices abroad provide services and facilities for all employees on point 4 programs, including employees of other agencies as well as those of the Department of Agriculture. The Technical Cooperation Administration advises that to obtain a precise figure for expenses relating to Department of Agriculture employees, it would be necessary to have each TCA office abroad make a detailed analysis of its expenses. Since this is not practicable, the estimates shown above as "Expenses paid directly by the Technical Cooperation Administration" have been developed by using the estimated cost per man-year of all employees served by the TCA offices abroad, and applying this cost per man-year to the estimated total man-years of service to be performed by Department of Agriculture employees in the fiscal year 1953.

The following list shows the names, titles, grades, basic salaries, and locations of Department employees serving abroad on March 26, 1953, in connection with services performed for other Government agencies.

Employees of the Department of Agriculture paid from funds allocated or advanced from agencies outside the Department for services performed for such agencies, who were serving outside the United States and its Territories and possessions on Mar. 26, 1953

Department agency, source of funds, nature of work, and name of employee	Position title	Grade [1]	Basic salary	Location
Bureau of Animal Industry, reimbursement from Department of the Army—Special project for the Army: (Name of employee, position title, nature of duties, and exact location are classified information).		GS–13	$8,360	Africa.
Bureau of Plant Industry, Soils, and Agricultural Engineering: Advance from corporate funds of the Institute of Inter-American Affairs to cover expenses in connection with programs under title IV of the Mutual Security Act:				
Rubber development activities:				
Paul Tobler, Jr	Agriculturist	Point IV–7	4,443	Riberalta, Bolivia.
Lawrence A. Beery, Jr	do	Point IV–3	9,730	Belem, Brazil.
Locke Craig	do	Point IV–5	5,913	Do.
August M. Gorenz	Pathologist	Point IV–5	6,113	Do.
Chas. H. T. Townsend, Jr	Agriculturist	Point IV–4	7,863	Belterra, Brazil.
Keith L. Truettner	do	Point IV–6	5,079	Salvador, Bahia, Brazil.
Richard E. Schultes	Botanist	Point IV–4	7,863	Villa Arteaga, Colombia.
Raymond E. Stadelman	Agriculturist	Point IV–4	7,863	Do.
Wallace E. Mannis	do	Point IV–4	7,863	Los Diamantes, Costa Rica.
Albert V. McMullen	Chemist	Point IV–6	5,619	Do.
Michael H. Langford	Pathologist	Point IV–4	8,463	San Jose, Costa Rica.
Harry C. Haines	Agriculturist	Point IV–4	7,263	Do.
Ernest P. Imle	do	Point IV–4	8,863	Turrialba, Costa Rica.
John B. Carpenter	Pathologist	Point IV–4	7,863	Do.
Carl N. Hittle	Agronomist	Point IV–5	5,913	Do.
Augustus M. Dycus	Physiologist	Point IV–6	5,079	Do.
Robert M. Worley	Administrative assistant	Point IV–7	5,223	Do.
Edilberto Camacho	Agent	Unallocated	3,600	Do.
Enrique Camacho	do	do	2,500	Do.
Dwyer D. Albert	Agriculturist	Point IV–7	4,443	Ciudad Trujillo, Dominican Republic.
J. Forres O'Donnal	Agronomist	Point IV–5	6,513	Cuyotenango, Guatemala.
Jeffrey E. Shrum	do	Point IV–7	4,443	Do.
Arthur W. Bechtel	Horticulturist	Point IV–4	8,163	Marfrane, Haiti.
Geo. C. Van den Berghe	Rubber technologist	Point IV–7	4,443	Do.
Robert E. Dirks	Agriculturist	Point IV–7	4,443	Do.
Aurel Denizard	Agricultural aide	Unallocated	2,750	Do.
Melcourt Poux	Clerk-typist	do	2,500	Do.
Robert H. Bartlett	Agriculturist	Point IV–6	5,079	El Palmar, Mexico.
Thomas D. Mallery	Agronomist	Point IV–4	8,463	Mexico City, Mexico.
Posie C. Conner	Agriculturist	Point IV–6	5,079	Villahermosa, Mexico.
Howard F. Allard	Agronomist	Point IV–4	8,163	Tingo Maria, Peru.

See footnote at end of table, p. 00.

Employees of the Department of Agriculture paid from funds allocated or advanced from agencies outside the Department for services performed for such agencies, who were serving outside the United States and its Territories and possessions on Mar. 26, 1953—Continued

Department agency, source of funds, nature of work, and name of employee	Position title	Grade [1]	Basic salary	Location
Bureau of Plant Industry, etc.—Continued				
Advance from Reconstruction Finance Corporation to cover research and survey activities relating to continuing and expanding abaca production in the Western Hemisphere—Abaca research activities:				
Charles H. Batchelder	Entomologist	GS–12	$7,440	Turrialba, Costa Rica.
William Q. Loegering	Plant pathologist	GS–12	7,240	Do.
Alto E. Royer	Soil scientist	GS–11	6,140	Do.
German S. Rivera DeLeon	Biological science aide	Unallocated	1,800	Do.
Bureau of Entomology and Plant Quarantine—Advance from Bureau of Medicine and Surgery, Department of the Navy—Entomological research at U. S. Naval Medical Research Unit No. 3: Robert L. Peffley	Entomologist	GS–11	6,340	Cairo, Egypt.
Foreign Agricultural Service—Advance from Mutual Security Act funds for carrying out technical cooperative agricultural programs in point IV countries as requested by the Secretary of State (these programs are designed to establish, in participating point IV countries, modified institutions similar in purpose to United States land-grant college institutions, namely, national extension services, agricultural experiment stations, and college teaching staffs. These cooperative programs abroad consist of research, extension, resident instruction, agricultural engineering, agricultural economics, and related agricultural activities. Employees under these programs serve basically in a consultative and advisory capacity to their counterparts in the foreign countries where the program is operating. Employees, grouped by area and country, are listed below):				
Near East and Africa:				
W. A. Hartman	Chief of field party	Point IV–2	11,130	Egypt.
E. G. Johnson	Drainage expert, tile	Point IV–4	8,863	Do.
W. Helman	Extension specialist	Point IV–4	8,463	Do.
B. Knapp	Livestock breeding specialist	Point IV–4	7,263	Do.
A. J. Schwantes	Farm machinery specialist	Point IV–4	8,463	Do.
W. M. Reid	Animal hygiene specialist	Point IV–4	8,463	Do.
I. E. Weaver	Poultry improvement extension specialist	Point IV–4	8,463	Do.
R. Ethridge	Home economist	Point IV–4	8,763	Do.
H. H. Hanson	Livestock improvement extension specialist	Point IV–5	5,913	Do.
R. W. Roskelley	Chief, Agriculture Division	Point IV–3	9,730	Iran.
C. S. Stephanides	Head, Animal Husbandry Branch	Point IV–3	10,030	Do.
F. A. Raiston	Animal husbandry specialist	Point IV–4	7,563	Do.
J. R. Dawson	Dairy specialist	Point IV–4	8,463	Do.
R. B. Littlefield	Agricultural extension agent	Point IV–4	7,263	Do.
H. S. Kernan	Forester	Point IV–5	6,113	Do.

George Stewart	Head, Agronomy Branch	Point IV–3	9,730	Do.
B. G. Thompson	Entomologist	Point IV–4	8,463	Do.
Roy Sellers	Chief of Cooperative Division	Point IV–4	8,863	Do.
L. R. Short	Range revegetation specialist	Point IV–4	7,863	Do.
H. C. Larsen	Financial adviser	Point IV–3	9,730	Do.
S. Drake	Wool grading and marketing specialist	Point IV–4	8,463	Do.
M. E. Heath	Agronomist	Point IV–4	7,263	Do.
J. D. Elliott	Farm machinery specialist	Point IV–5	5,913	Do.
J. E. Crosby, Jr	Agricultural extension specialist	Point IV–4	8,463	Do.
V. Wilson (on reimbursable detail)	Secretary	GS–7	4,330	Do.
E. Clough (on reimbursable detail)	Extension specialist	GS–13	8,360	Do.
T. L. Vaughn (on reimbursable detail)	do	GS–13	8,360	Do.
F. C. Jans (on reimbursable detail)	do	GS–13	8,360	Do.
F. P. Frutchey (on reimbursable detail)	do	GS–13	9,160	Do.
L. L. Longsdorf (on reimbursable detail)	do	GS–13	8,360	Do.
A. W. Manchester (on reimbursable detail)	do	GS–13	9,360	Do.
C. H. Hammar	Chief agriculturist	Point IV–2	11,130	Do.
M. E. Olson	Agricultural extension specialist	Point IV–4	7,563	Do.
R. W. Gill	Vocational agriculture instructor	Point IV–4	7,563	Do.
S. H. Cain, Jr	Cotton breeding specialist	Point IV–4	7,263	Do.
S. Cabell Shull	Agricultural marketing specialist	Point IV–4	7,563	Do.
F. A. Cranston	Agricultural machinery engineer	Point IV–4	7,263	Do.
F. R. Bradford	Animal husbandry specialist	Point IV–4	7,263	Do.
J. H. Mikkelson	Agricultural extension specialist	Point IV–4	7,263	Do.
H. W. Springfield	Agrostologist	Point IV–5	5,913	Do.
B. J. Barnes	Agronomist	Point IV–4	7,263	Do.
Bertha F. Strange	Home economics dean	Point IV–4	7,263	Do.
C. B. Darden	Tobacco processing specialist	Point IV–5	5,913	Do.
M. H. Button	General agriculturist	Point IV–3	9,730	Do.
H. A. Beck	Agronomist	Point IV–4	8,463	Do.
F. H. Robinson	Agricultural economist	Point IV–4	7,263	Do.
J. R. Morris	Agricultural engineer	Point IV–4	7,263	Do.
E. F. Weigle	Agricultural extension specialist	Point IV–4	7,263	Do.
H. K. Botch	do	Point IV–4	7,263	Do.
E. W. Whitman	General agricultural (agronomist)	Point IV–4	8,463	Jordan.
E. Mortensen	Horticulturist	Point IV–4	8,463	Do.
C. Walker	Agricultural machinery specialist	Point IV–4	8,463	Do.
E. F. Vestal	Plant pathologist	Point IV–4	8,463	Do.
J. W. Allen	Veterinarian	Point IV–4	7,263	Do.
C. McKee	Chief agriculturist	Point IV–2	11,130	Lebanon.
M. McDonald	Agricultural extension specialist	Point IV–3	10,030	Do.
C. Y. Cannon	Animal husbandman	Point IV–4	8,763	Do.
H. A. Rollins	Horticulturist	Point IV–4	8,463	Do.
V. V. Bowman	Farm and marketing specialist	Point IV–4	8,763	Do.
D. L. DuBois	Irrigation engineer	Point IV–4	8,763	Do.
G. L. Terman	Agronomist	Point IV–4	8,463	Do.
G. E. Prince	Agricultural credit specialist	Point IV–3	11,030	Do.
T. E. Shaw	Forestry specialist	Point IV–4	8,463	Do.
C. T. Beechwood	Veterinarian	Point IV–3	9,730	Do.
E. K. Rambo	Agricultural engineer	Point IV–3	10,030	Do.
H. L. Lasater	Poultry specialist	Point IV–4	8,463	Do.

See footnotes at end of table, p. 2094.

Employees of the Department of Agriculture paid from funds allocated or advanced from agencies outside the Department for services performed for such agencies, who were serving outside the United States and its Territories and possessions on Mar. 26, 1953—Continued

Department agency, source of funds, nature of work, and name of employee	Position title	Grade [1]	Basic salary	Location
Foreign Agricultural Service—Continued				
Near East and Africa—Continued				
Affif I. Tannous	Rural sociologist	Point IV-2	$11,150	Lebanon.
F. E. Pinder	Director, research and extension program	Point IV-3	10,930	Liberia.
D. Banks	Vocational agriculture specialist	Point IV-5	6,113	Do.
C. C. Blickenstaff	Entomologist	Point IV-4	7,563	Do.
T. S. Buchanan	Plant pathologist	Point IV-4	8,863	Do.
C. C. Lewis	Soils specialist	Point IV-4	8,763	Do.
G. C. Meaux	Rice specialist	Point IV-4	7,263	Do.
T. Holsoe	Forester	Point IV-4	8,763	Do.
C. E. Pegg, Jr	Animal husbandman	Point IV-4	8,763	Do.
L. F. Hough	Plant breeder	Point IV-4	8,763	Do.
C. A. Walton	Agricultural production specialist	Point IV-5	6,113	Do.
W. T. Harris	do	Point IV-5	6,113	Do.
S. J. McCorney	do	Point IV-5	6,113	Do.
L. E. Fort	do	Point IV-5	6,513	Do.
F. G. Davis	Credit adviser	Point IV-4	8,763	Do.
A. B. Lewis	Agricultural engineer	Point IV-5	6,113	Do.
C. R. Lockard (on reimbursable detail)	Forestry consultant	GS-13	9,360	Do.
V. D. Bailey	Agricultural extension officer	Point IV-3	10,030	Libya.
F. W. Barber	do	Point IV-4	7,563	Do
R. E. Russell	Vocational agriculture teacher	Point IV-4	7,263	Do.
W. M. Buck	Wool technician	Point IV-4	8,763	Do.
G. K. Framstad	Agricultural extension officer	Point IV-5	5,913	Do.
A. J. Rehling	do	Point IV-4	7,263	Do.
C. B. Padgett	do	Point IV-6	5,079	Do.
A. Enriquez	do	Point IV-6	5,079	Do.
R. L. Jones	do	Point IV-6	5,079	Do.
J. Walker	do	Point IV-6	5,079	Do.
M. Galli	Animal husbandry expert	Point IV-6	5,079	Do.
J. W. Ford	do	Point IV-6	5,079	Do.
L. E. Hatch	Forester	Point IV-4	7,263	Do.
R. W. Abbott	do	Point IV-4	8,463	Do.
C. M. Richardson	Animal husbandry expert	Point IV-6	5,079	Do.
L. W. Coyne	Vocational agriculture teacher	Point IV-4	7,263	Do.
W. J. Edens	Chief, agriculture field party	Point IV-3	11,030	Saudi Arabia.
T. J. Moon	Extension specialist	Point IV-4	7,263	Do.
W. B. Mabee	Program director	Point IV-3	10,030	Lebanon.
R. B. Thrailkill	Assistant program director	Point IV-4	8,463	Do.
E. F. McChesney	Regional locust-control officer	Point IV-5	5,913	Do.
J. W. Kelly II	Unit supervisor	Point IV-4	7,263	Do.
W. C. Kurtz	do	Point IV-4	7,263	Iran.
Asia and Pacific:				
C. C. Brookshier	Extension specialist	Point IV-4	7,263	Afghanistan.

R. C. Moncure (on reimbursable detail)	Agronomist	GS–11	6,340	Do.
G. E. Riddell	Chief agriculturist	Point IV–2	11,130	Burma.
L. E. McGary	Agricultural adviser	Point IV–4	7,263	Do.
D. P. Carter	do	Point IV–4	7,263	Do.
C. D. Snyder	do	Point IV–4	7,263	Do.
W. K. Gamble	Vocational agriculture professor	Point IV–4	7,263	Do.
W. A. Bloodworth	Livestock specialist	Point IV–4	7,263	Do.
I. K. Landon	Agronomist, soil conservation	Point IV–4	8,763	Do.
T. R. Truax	Forestry research adviser	GS–14	9,600	Do.
C. M. Mecham	Dairy expert	Point IV–4	7,263	Do.
H. C. Holmes	Chief agriculturist	Point IV–2	11,850	India.
M. C. McKendrie	Special assistant to Chief	Point IV–5	6,113	Do.
C. A. Svinth	Extension director	Point IV–3	9,730	Do.
D. E. Zehr	Extension specialist	Point IV–4	7,263	Do.
P. Carruth	do	Point IV–4	7,263	Do.
L. C. Holtkamp	do	Point IV–4	7,263	Do.
P. H. Jameson	do	Point IV–4	8,463	Do.
W. O. Sellers	do	Point IV–4	7,263	Do.
A. K. Smith, Jr	do	Point IV–4	7,563	Do.
W. H. Walker	do	Point IV–4	8,463	Do.
M. J. Hatten	do	Point IV–4	7,263	Do.
C. V. Kimmell	do	Point IV–4	$7,263	Do.
H. E Kardel	do	Point IV–4	8,463	Do.
C. N. Sanders	do	Point IV–5	5,913	Do.
J. C. Yeary	do	Point IV–4	7,263	Do.
G. R. Schludatis	do	Point IV–4	7,263	Do.
F. I. Bell	do	Point IV–4	7,263	Do.
J. T. Bulis	do	Point IV–4	7,263	Do.
D. G. Curry	do	Point IV–4	7,563	Do.
R. H. Kaven	do	Point IV–4	7,563	Do.
G. E. Landsburg	do	Point IV–4	7,263	Do.
E. W. Pierce	do	Point IV–4	7,563	Do.
L. H. Kelly	Extension director, training	Point IV–4	8,463	Do.
K. D. Chandler	Extension specialist, training	Point IV–4	7,263	Do.
E. P. Creech	do	Point IV–4	7,563	Do.
D. V. Fagan	do	Point IV–4	7,263	Do.
M. D. Fox	do	Point IV–4	7,563	Do.
J. D. Gray	do	Point IV–4	8,463	Do.
M. L. Howell	do	Point IV–4	7,263	Do.
E. E. Julson	do	Point IV–4	7,263	Do.
W. W. McIlroy	do	Point IV–4	7,263	Do.
G. L. Richardson	do	Point IV–4	7,563	Do.
F. W. Sheppard	do	Point IV–5	7,913	Do.
L. B. Ellis	Extension specialist, home economics	Point IV–4	7,263	Do.
O. A. Bauman, Jr	Research adviser, biology	Point IV–4	8,763	Do.
F. M. Milam	Research adviser, agronomy	Point IV–4	9,430	Do.
K. Krueger	Engineering adviser	Point IV–4	8,763	Do.
I. Walker	do	Point IV–4	8,463	Do.
H. M. Skinner	Engineering specialist	Point IV–4	7,263	Do.
S. D. Resnick	Engineering assistant	Point IV–5	5,913	Do.
H. C. Cole	do	Point IV–5	5,913	Do.

See footnotes at end of table, p. 2094.

Employees of the Department of Agriculture paid from funds allocated or advanced from agencies outside the Department for services performed for such agencies, who were serving outside the United States and its Territories and possessions on Mar. 26, 1953—Continued

Department agency, source of funds, nature of work, and name of employee	Position title	Grade [1]	Basic salary	Location
Foreign Agricultural Service—Continued				
Asia and Pacific—Continued				
J. M. Orchard	Agricultural information adviser	Point IV-4	$8,763	India.
W. H. Hardy	Agricultural information specialist	Point IV-4	7,263	Do.
G. Garnett	Consultant on farm organization	Point IV-2	11,130	Do.
N. E. Winters	Chief agriculturist	Point IV-2	11,150	Indonesia.
J. W. Slosser	Agricultural engineer, assistant director, school	Point IV-4	9,130	Do.
O. D. Deputy	Plant-quarantine specialist	Point IV-4	9,430	Do.
P. W. Rose	Chief extension specialist	Point IV-3	10,030	Nepal.
G. V. Bowers	Land development adviser	Point IV-4	8,863	Do.
H. L. Dusenberry	Extension fieldman	Point IV-4	8,463	Do.
G. T. Brooks	Extension specialist, entomology	Point IV-4	7,263	Do.
C. E. Wilcox	Extension specialist, training	Point IV-4	7,263	Do.
F. D. Dowell	do	Point IV-4	7,263	Do.
E. N. Sanders	do	Point IV-4	7,263	Do.
G. W. Miller	Farm management specialist	Point IV-4	8,463	Pakistan.
J. O. Dockins	Extension adviser	Point IV-4	8,463	Do.
D. A. Ritter	do	Point IV-4	8,463	Do.
C. J. Hatcher	do	Point IV-4	7,263	Do.
D. T. Painter	do	Point IV-4	8,463	Do.
S. N. McIntosh	do	Point IV-4	7,263	Do.
D. R. Hooton	Cotton breeder	Point IV-5	6,713	Do.
J. L. McKitrick	Agricultural extension engineering specialist	Point IV-4	8,463	Do.
R. M. Snyder	Agricultural production director	Point IV-3	9,730	Do.
R. K. Winters	Forestry specialist	Point IV-3	9,730	Do.
M. E. Becker	Forest economics specialist	Point IV-4	7,263	Do.
Mary E. Border	Home demonstration specialist	Point IV-4	7,263	Do.
W. E. Davis	Agricultural extension specialist	Point IV-4	7,263	Do.
J. F. Buffington	Vocational agriculture specialist	Point IV-4	7,263	Do.
W. C. King	Cotton extension specialist	Point IV-4	7,263	Do.
H. A. Baehr	Wheat loan coordinator	Point IV-3	10,330	Do.
A. Prince	Vocational agriculture specialist	Point IV-4	7,563	Do.
I. L. Smith	Agriculturist program coordinator	Point IV-4	7,263	Do.
D. W. Graham	Vocational agriculture specialist	Point IV-4	7,263	Do.
W. R. Forsyth	Locust control unit supervisor	Point IV-4	7,263	Do.
Latin America:				
H. Platenius	Agronomist	Point IV-4	8,863	Bolivia.
C. M. Trujillo	Extension specialist	Point IV-4	8,763	Do.
W. L. Pritchett	Agronomist	Point IV-4	8,463	Do.
H. Wise	Agricultural economist	Point IV-4	8,763	Do.
J. A. Munro	Entomologist	Point IV-4	8,763	Do.
D. V. Shuhart	Horticulturist	Point IV-4	8,763	Do.
F. S. Andrews	do	Point IV-4	7,563	Do.
E. N. Gutierrez	Extension specialist, general	Point IV-4	7,563	Do.

Mariam Huddle	Librarian	Point IV–5	6,313	Do.
K. K. Henness	Extension specialist, general	Point IV–4	7,563	Do.
R. O. Blodgett	Farm management specialist	Point IV–5	6,113	Do.
F. J. Shideler	Extension specialist, information	Point IV–4	7,563	Do.
Ella M. Crosby	Home economist	Point IV–5	5,913	Do.
F. H. Bell	Plant pathologist	Point IV–5	6,113	Do.
H. A. Kramer	Agricultural engineer	Point IV–4	7,263	Do.
Maurine M. Hearn	Home economist	Point IV–4	8,463	Do.
W. C. Tucker	Agricultural engineer-research director	Point IV–3	10,030	Brazil.
F. A. Thompson, Jr	Agricultural engineer	Point IV–4	8,763	Do.
L. E. Long	do	Point IV–4	9,130	Do.
Anna E. Jenkins	Plant pathologist	Point IV–4	7,263	Do.
H. A. Cardinell	Horticulturist	Point IV–4	8,463	Do.
R. L. Fowler	do	Point IV–4	8,163	Do.
L. A. Brown	Agricultural consultant, soils	Point IV–3	10,930	Colombia.
M. Drosdoff	Soil research adviser, coffee	Point IV–4	8,463	Do.
H. J. Brooks	Livestock extension adviser	Point IV–4	8,763	Do.
H. Mowry	Consulting director	Point IV–3	11,030	Costa Rica.
G. P. Gibbs	Soil scientist	Point IV–4	7,563	Do.
J. W. Johnston, Jr	Project director	Point IV–3	9,730	Cuba.
K. M. Kaiser	Agricultural engineer	Point IV–4	8,763	Do.
M. D. Jones	Agronomist	Point IV–4	8,763	Do.
S. W. McBirney	Agricultural engineer	Point IV–4	8,763	Do.
B. S. Crandall	Plant pathologist	Point IV–4	8,763	Do.
H. D. Lynn	Agronomist	Point IV–1	7,563	Do.
H. T. Love	Biochemist	Point IV–4	8,463	Do.
E. G. Beinhart	Research adviser, tobacco	Point IV–4	8,763	Dominican Republic.
W. G. Bradley	Entomologist	Point IV–4	8,763	Do.
C. R. Muhr	Agronomist, soils	Point IV–4	8,463	Do
Lee Hines	Chief of field party	Point IV–3	10,030	Ecuador.
S. S. White	Horticulturist	Point IV–4	7,563	Do.
R. Desrosiers	Plant pathologist	Point IV–5	5,913	Do.
J. P. Keenan	Extension specialist	Point IV–4	7,263	Do.
W. V. Harlan	Agronomist	Point IV–4	8,763	Do.
J. M. Aikman	do	Point IV–4	8,763	Do.
D. E. Timmons	Extension adviser, marketing	Point IV–4	8,763	Do.
H. E. Christie	Agricultural information adviser	Point IV–4	8,863	Do.
H. R. Yust	Entomologist	Point IV–4	7,263	Do.
F. L. O'Rourke	Horticulturist	Point IV–4	7,263	Do.
R. E. Waters	Dairy husbandman	Point IV–4	8,463	Do.
D. Costa	Farm management specialist	Point IV–5	5,913	Do.
T. E. Duncan	Agricultural engineer	Point IV–4	7,563	Do.
J. Guiscafre-Arillaga	Program director	Point IV–3	10,030	El Salvador.
E. W. Ranck	Agriculture economist	Point IV–4	8,763	Do.
A. F. Kinnison	Horticulturist	Point IV–4	8,763	Do.
R. E. Hansen	Extension information specialist	Point IV 4	8,763	Do.
N. C'De Baca	Extension specialist, general	Point IV–4	8,763	Do.
P. A. Berry	Entomologist	Point IV–4	8,463	Do.
E. D. Matthews	Agronomist	Point IV–4	7,563	Do.
V. J. Barlow	Agricultural engineer	Point IV–4	7,263	Do.

See footnotes at end of table, p. 2094.

Employees of the Department of Agriculture paid from funds allocated or advanced from agencies outside the Department for services performed for such agencies, who were serving outside the United States and its Territories and possessions on Mar. 26, 1953—Continued

Department agency, source of funds, nature of work, and name of employee	Position title	Grade [1]	Basic salary	Location
Foreign Agricultural Service—Continued				
Latin America—Continued				
F. R. Olive	Agronomist	Point IV–4	$8,763	El Salvador
I. A. Dyer	Animal husbandry specialist	Point IV–4	7,263	Do.
R. C. Lorenz	Project director	Point IV–3	10,030	Guatemala.
C. S. Simmons	Soils scientist	Point IV–4	8,763	Do.
R. L. Squibb	Animal husbandman	Point IV–4	8,763	Do.
F. J. Le Beau	Plant pathologist	Point IV–4	8,763	Do.
M. A. Jones	Biochemist	Point IV–4	7,563	Do.
V. C. Peterson	Chief agriculturist	Point IV–3	10,030	Nicaragua.
P. G. Adams	Extension adviser, general	Point IV–4	8,763	Do.
R. A. White, Jr.	Forester	Point IV–4	8,763	Do.
P. M. Phillippee	Agronomist	Point IV–4	8,463	Do.
W. P. Duruz	Horticulturist	Point IV–4	8,763	Do.
R. B. Swain	Entomologist	Point IV–4	8,463	Do.
H. E. Carver	Animal husbandry, veterinarian	Point IV–4	7,263	Do.
S. C. Litzenberger	Agronomist	Point IV–4	8,763	Do.
F. A. Nylund	Extension specialist, education	Point IV–4	8,463	Do.
Jeff E. Flanagan	Agricultural engineer	Point IV–4	8,763	Do.
H. J. Henney	Project director	Point IV–2	11,150	Peru.
C. A. Van Doren	Research director	Point IV–3	10,030	Do.
D. S. Hubbell	Agronomist	Point IV–4	8,763	Do.
C. L. Long	Horticulturist	Point IV–4	8,763	Do.
A. F. Swanson	Plant geneticist	Point IV–4	8,763	Peru.
L. R. Sinclair	Animal pathologist	Point IV–5	6,113	Do.
W. Cowgill	Regional consultant, horticulture	Point IV–4	8,863	Guatemala.
K. Himebaugh	Regional consultant, agricultural information	Point IV–2	12,550	Peru.
E. W. Lanke	Regional consultant, entomologist, livestock	Point IV–4	8,763	Ecuador.
W. P. Sellers	Regional consultant, extension agronomist	Point IV–3	10,030	Panama.
F. L. Wellman	Regional consultant, pathologist	Point IV–3	10,030	Costa Rica.

[1] Point IV grades were established by the Technical Cooperation Administration pursuant to the provisions of sec. 413 (c) of Public Law 535, 81st Cong., authorizing the use of Foreign Service Act grades and salary schedules for positions under the point IV program. The Technical Cooperation Administration issued a table showing the relationship between point IV grades, Foreign Service Act grades, and Classification Act grades, for use as a guide by other Government agencies participating in the program. Based on this guide, a schedule has been developed in the Department for use in converting general schedule grades to point IV grades. The following table shows the relationship between general schedule and point IV grades as used in the Department.

GS–15 converted to point IV–2	$11, 130	$11, 150	$11, 500	$11, 850	$12, 200	$12, 550	$12, 700
GS–15	10, 800	11, 050	11, 300	11, 550	11, 800		
GS–14 converted to point IV–3	9, 730	10, 030	10, 330	10, 630	10, 930	11, 030	
GS–14	9, 600	9, 800	10, 000	10, 200	10, 400	10, 600	
GS–13 converted to point IV–4	8, 463	8, 763	8, 863	9, 130	9, 430	9, 730	
GS–13	8, 360	8, 560	8, 760	8, 960	9, 160	9, 360	
GS–12 converted to point IV–4	7, 263	7, 563	7, 863	8, 163	8, 463		
GS–12	7, 040	7, 240	7, 440	7, 640	7, 840	8, 040	
GS–11 converted to point IV–5	5, 913	6, 113	6, 313	6, 513	6, 713		
GS–11	5, 940	6, 140	6, 340	6, 540	6, 740	6, 940	
GS–9 converted to point IV–6	5, 079	5, 259	5, 439	5, 619			
GS–9	5, 060	5, 185	5, 310	5, 435	5, 560	5, 685	5, 810
GS–7 converted to point IV–7	4, 323	4, 443	4, 563	4, 683	4, 863	5, 043	5, 223
GS–7	4, 205	4, 330	4, 455	4, 580	4, 705	4, 830	4, 955

Mr. HORAN. And I would like to ask you to prepare for us a list of those stationed overseas who are working in fields that affect American agriculture and international trade.

Mr. ROSSITER. We will be very glad to comply. You would like to have a list of the agricultural officers of the Foreign Service?

Mr. HORAN. Yes.

Mr. HUNTER. When you spoke of agricultural officers of the Foreign Service, did you have reference to agricultural attachés?

Mr. ROSSITER. Yes.

Mr. HORAN. Of the State Department.

Mr. ROSSITER. Yes.

(Information requested is as follows:)

AGRICULTURAL OFFICERS IN THE FOREIGN SERVICE

The attached lists include the names, salaries, and allowances of the principal agricultural officers serving overseas with the Foreign Service. The lists are broken down into the four main geographic areas under which the State Department operates around the world.

Names included on the lists constitute those persons who most directly represent the Department of Agriculture. There are other officers and employees of the State Department who make varying sized contributions to agriculture in the form of reports, dispatches and cables who are excluded. The function of this latter group is primarily one of supplemental reporting.

Complete salary and other cost data on agricultural activities in the Foreign Service were furnished by the Department of State. The material contained in the following pages was extracted from these data.

Agricultural attachés and assistants [1] *in the Foreign Service, salary and allowance costs*

Post	Name	Grade	Salary and differential	Allowances
BUREAU OF INTER-AMERICAN AFFAIRS				
Argentina: Buenos Aires	C. A. Boonstra	O-3	$9,730	$2,500
	C. C. Wilson	R-6	4,793	1,500
Brazil:				
Rio De Janeiro	J. A. Hopkins	O-2	11,500	2,886
	G. A. Ruggles	R-4	8,163	2,366
Sao Paulo	J. G. Gossett	O-5	5,513	2,100
Chile: Santiago	P. M. Davenport	O-3	9,430	2,500
Costa Rica: San Jose	E. L. Tanner	S-3	9,201	2,000
Cuba: Habana	G. L. Bush	S-1	11,130	5,496
	C. E. Davis	R-3	9,430	5,193
	T. M. Reed	R-4	8,763	4,660
El Salvador	R. C. Desmond	O-4	7,563	3,325
Guatemala	C. B. McKnight	O-4	7,263	3,109
Mexico: Mexico, D. F	P. Minneman	O-2	12,700	2,000
	A. M. Gomez	S-6	6,501	
	P. J. Ferree	S-9	4,719	800
Peru: Lima	G. A. Day	R-4	7,929	2,000
Uruguay: Montevideo	D. E. Farringer	S-4	7,689	2,400
Venezuela: Caracas	J. D. Kempton	S-1	10,850	8,521

[1] Excludes other reporting officers, stenographers, and local assistants.

Agricultural attachés and assistants [1] *in the Foreign Service, salary and allowance costs*—Continued

Post	Name	Grade	Salary and differential	Allowances
BUREAU OF EUROPEAN AFFAIRS				
Australia: Sydney	T. C. M. Robinson	S–2	$9,230	$1,475
Austria: Vienna	H. Lint	S–4	7,689	
Belgium: Brussels	R. T. Anderson	O–3	9,130	2,130
Canada: Ottawa	P. Nyhus	O–1	13,200	1,475
	W. Rodman	S–8	5,313	1,150
Denmark: Copenhagen	John B. Sjo	S–10	4,323	880
France: Paris	O. W. Herrmann	R–1	13,200	2,930
	F. A. Motz	S–1	11,130	2,900
	Q. R. Bates	O–4	6,963	2,165
	H. L. Koeller	R–5	6,313	2,120
Great Britain: London	E. Englund	R–1	12,800	2,170
	W. Kling	O–3	9,130	2,130
Ireland: Dublin	L. M. Smith	R–5	6,113	1,150
Italy: Rome	H. Cottam	O–2	11,130	3,200
	E. B. Shearer	S–7	5,907	2,395
	L. J. Reda	S–9	4,719	1,785
	J. Montel	do	4,719	1,785
Netherlands: The Hague	R. A. Brand	O–4	7,263	950
New Zealand: Wellington	M. T. Foster	S–2	9,710	1,475
Norway: Oslo	G. J. Dietz	S–8	5,493	1,360
Portugal: Lisbon	J. W. Howard	R–3	10,030	1,880
Spain: Madrid	B. Stugard	S–3	8,961	1,150
Sweden: Stockholm	E. Reese	R–4	8,463	1,815
Union of South Africa: Pretoria	R. O. Westley	do	7,689	1,400
U. S. S. R.: Moscow	H. J. Davis	S–1	10,250	9,500
	D. B. Diamond	S–5	7,095	6,510
Yugoslavia: Belgrade	S. O. Berg	S–7	6,087	1,500
	J. N. Smith	O–5	6,313	240
Germany: Bonn	N. L. Smith	S–2	9,470	
	W. F. Doering	S–3	8,961	
	R. A. Schwartz	S–6	6,681	
BUREAU OF FAR EASTERN AFFAIRS				
Burma: Rangoon	J. H. Boulware	S–4	$8,858	$540
Indonesia: Djakarta	H. J. Geib	R–2	11,500	
Japan: Tokyo	W. I. Ladejinsky	do	11,130	
	J. C. Dodson	S–4	9,514	
Philippines:				
Manila	J. Dougherty	O–3	9,430	1,200
Singapore	J. R. Johnstone	O–4	6,963	3,305
Thailand: Bangkok	G. Quate	S–2	10,652	914
BUREAU OF NEAR EASTERN, SOUTH ASIAN AND AFRICAN				
Egypt: Cairo	J. G. Diamond	S–4	$9,483	$2,025
Greece: Athens	P. Hudson	S–4	9,950	3,660
India: New Delhi	C. C. Taylor	O–1	14,300	370
	C. E. Pike	S–5	9,219	1,484
	G. A. Hubert	O–4	8,163	
Iran: Teheran		S–4	9,127	2,161
Pakistan: Karachi	H. W. Spielman	O–3	9,430	3,096
Syria: Damascus	E. R. Raymond	O–4	8,863	2,074
Turkey: Ankara	L. L. Scranton	S–1	10,050	4,120

NEED FOR BETTER RELATIONS WITH OTHER NATIONS

Mr. HORAN. If we are going to try to promote American agriculture abroad, we are going to have to rely on something more than just making reports of American products. We have seen legitimate exporters of American agricultural products, and legitimate importers trying to get together but frustrated by other agencies under the employ of the American Government, and that, I assume, is the intent of the gentlemen who are before us now, to try to cleave through that frustration.

Mr. SHORT. That is correct.

Mr. HORAN. And therefore I want the record to be explicit and to be as full as possible.

Mr. SHORT. Yes, sir.

Mr. HORAN. Certainly if we can get in this record information bearing out the fact that confusion exists, it should aid in its correction.

Mr. SHORT. Mr. Chairman, I want to assure you that there is a great need for coordination of all activities in all of these fields in order that we establish and know the objectives, and that we work toward those objectives.

Mr. HORAN. There is no question about the fact that good can be done by the MSA and the TCA by having men in the field; there is no question but what as we raise the productivity and the living standards of other nations, we increase the possibility of more trade with them, and there is no question but what that is our objective. But when do we start increasing the trade with other nations? What we have been able to achieve now is so complicated and has so complicated our relations with other nations that we are getting nowhere. We entered into a wheat agreement last Friday, a week ago tomorrow, only to have expressions from the floor of Parliament and other nations condemning us; even though we enter into this wheat agreement presumably to continue through 3 years the possibility of a 30- or 40-cent subsidy on every bushel of wheat that we contribute to them.

It is obvious to me that we are going to have to fight for a place, and do it as gentlemen, of course, in the international trade sun.

Mr. WHITTEN. I want to say that Mr. Horan has worked very hard with this problem in dealing with the matter before the committee through the years. We have all joined in the effort to try to clear up these problems—and they have not always been the fault of this particular agency. I would like to point out here that the record will show how the great majority of personnel engaged in foreign agricultural activities are not paid from Department of Agriculture funds; they are paid from funds transferred from other agencies, which may have relationship to agriculture. The fact that they are paid by transfer would show that their primary obligation is to those other agencies, to the extent they are not a part of the Office of Agricultural Services.

Now, I recognize that this foreign trade is a real problem. I would like to state I opposed the British loan back during the war because I felt we should extend them credit. Through furnishing of credit, we could determine what those funds were used for. If they were being used to rebuild a railroad, we would have the right to inspect to see where the funds went. It turned out that the money we loaned the British came back here many times to purchase articles which were in short supply instead of those that were in long supply, and much of it was not used for real rehabilitation.

SELF-SUFFICIENCY HAS REDUCED OUR SUPPLY OF NATURAL RESOURCES

Another thing that I know you are familiar with that has developed in the last several years is the fact that this country is about 95-percent self-sufficient. We used to spend $10 million for cigarette paper, now we make our own.

We used to buy dyes in the millions of dollars from Germany, now we make our own.

We used to buy rubber to a very great extent, now we have developed a synthetic rubber.

Our fertilizer used to come from South America, and now we are making synthetic fertilizer.

In other words, we have learned to provide ourselves many things that we used to have to buy from other countries, and when we purchased them in turn, they had money to buy from us. But there is a feeling, and I think this is a real problem, that much of this self-sufficiency is coming through a heavy decrease in our supply of natural resources. And in the field of raw materials, which many of these foreign countries certainly have, there should be some basis for starting up trade and saving our dwindling supplies of many materials that we need, such as strategic items.

I wonder if you have had any surveys made that might show what the possibilities are?

FOREIGN ECONOMIC POLICY NEEDS STRENGTHENING

Mr. SHORT. We think there is an opportunity in this line. We know, after two wars, that we have depleted some of our natural resources, particularly in strategic lines, and we feel a careful analysis should be made of that and every effort made to maintain the necessary raw materials to keep our industrial and agricultural machine going. We feel that all information in that regard should be made available to the country and that we should make every effort we can in that direction.

Of course, the difficulty we find ourselves in there, is the fact that for some time before, and, certainly after the beginning of World War I, there has not been what you would term "normal trade conditions." The factors that enter into and are important to the exchange of goods and services between nations of the world have been disrupted to more or less an extent, and, certainly, after World War II, there was a chaotic situation. Therefore, it is very important, it seems to us, that we carefully analyze and make a most searching analysis of this whole field of foreign economic policy.

We are very happy that the President of the United States has called for a study in this field, to the end that we certainly hope that a policy can be evolved that will lead in the direction of expanding trade, and, certainly, we in agriculture have to fit ourselves into that policy.

Under the restricted conditions that we find today with the dollar exchange difficulties which the nations have, we ought to be bidding, in agriculture, more aggressively for the supply of dollars that are available in the world.

Last year we sold to the world some $15 billion worth of products and we imported some $10 billion to $11 billion worth of products. On the basis of goods and services, in fiscal 1953 we did approximately $20 billion worth of business abroad and we purchased goods and services to the extent of approximately $15 billion, the difference being the dollar gap. That is a tremendous amount of business, and the largest on record from a dollar standpoint.

The disturbing thing is, and I call your attention to the formal statement, in that same fiscal year we exported a record volume of agricultural products—some $4 billion worth—and the estimate for this fiscal year is $2,900,000,000. We feel that under these circumstances we in agriculture have got to become more aggressive in trying to get our share of those dollars.

From the overall trade standpoint, it seems to me that America has got to recognize, generally, the importance of this thing to her internal economy, and we should evolve an aggressive policy in this regard. Certainly, the Department of Agriculture is willing to lend its full support to such a study.

UNITED STATES TOTAL AGRICULTURAL EXPORTS AND AMOUNTS FINANCED BY AID PROGRAMS, 1951-52

Mr. HORAN. At that point, would you place in the record a statement as to the value of goods that were sold under subsidies or other commodity mechanics and also as to those that were sold under what we might call "free trade" by private enterprise?

Mr. SHORT. Would you include the military in that?

Mr. HORAN. Anything which we exported in the field of agricultural products, including the military.

Mr. SHORT. You mean all products?

Mr. HORAN. Anything that is included in that $4 billion you have there, whether we did it by aid and free trade, or whether it was done by the free flow of goods between nations and between individuals.

I want to show where we have to almost use a shoehorn to get some of our stuff into other countries and I want to show that which is flowing freely.

Mr. WHITTEN. Would it not be well to include in that statement all trade. It would give you an idea of the total we are exporting.

Mr. HORAN. Yes, sir, because the $4 billion is part of the $20 billion. I think that would be wise.

Mr. WHITTEN. I would like to ask that you also show there what commodities were exported by barter for strategic materials.

Mr. SHORT. We will do that to the extent that it is possible to do so.

Mr. HORAN. You do not have to show the strategic material and what we received in return.

Mr. SHORT. Within the limitations of the security provisions, we will be glad to do that.

(Statement requested is as follows:)

United States total and agricultural exports, and amounts financed by aid programs, 1951 and 1952

[In millions of dollars]

Year	Total merchandise exports			Agricultural exports			Nonagricultural exports		
	Total	Aid financed		Total	Aid financed		Total	Aid financed	
		Value	Percent		Value	Percent		Value	Percent
1951	$14,879	$4,501	[1] 30	$4,040	[2] $974	24	$10,839	$3,527	33
1952	15,026	4,628	[1] 31	3,427	[2] 460	13.4	11,599	4,168	36

[1] Excludes Government loans as follows:

	1951	1952
Short term	$23,000,000	$45,000,000
Long term	140,000,000	409,000,000

[1] Exports under 2 major Government foreign aid programs (ECA and Government relief in occupied areas).

[2] Food and agricultural products financed by all funds handled by MSA in 1952 for all programs for food and agricultural products.

Mr. SHORT. Here is an example of what we think can be done in this field:

A year ago, in February I believe it was, we in the rice industry suggested to the Foreign Department of Agriculture that at that time it might be a good thing to get our new customers from abroad together. Before the war, we never shipped much food to the Pacific, and especially was that true of rice. We were asked to produce a large quantity of rice, beyond what we had produced during the war. The industry was rapidly growing, and the demand from the Government called for a goal of some 1,950,000 acres, or something like that—I can furnish the correct figure. We knew that this transition had taken place, and we asked the Foreign Department of Agriculture to bring these new customers together and analyze the situation for those countries and how the market acted during the season and give them all this information and told them when they could buy to the greatest advantage. Well, I have never seen anything that I felt produced greater results than that sort of an effort, because they came in at the proper time, and they took advantage of the seasonal decline in the market, which, of course, was a market-strengthening factor and, as a result, the biggest crop we ever produced has disappeared, and we are very short of rice at the present time.

We have not had a big percentage increase, but we have been increasing in that particular field and we have handled that big crop and moved it to an advantage. Those who took advantage of our advice mutually gained by it and had we not run into a short supply and been forced to put on export controls because of the activity, we do not know how much rice we could have moved. However, on a lot of markets, we have found a different situation. I think we can do a lot in trying to encourage and keep our foreign customers advised, honestly, about the situation and give them the advantage of the technical progress that has been made in the cotton industry, for instance. We have a need for advising our customers of the techno-

logical development which has taken place in cotton since the war. We have information now that leads us to believe, Mr. Whitten, that if we could render that kind of service to our foreign buyers, so they would have full knowledge as to the improvements in the grade and staple of the cotton and proper utilization of it, we could step up our business in that respect and make cotton more competitive.

Mr. HORAN. You are painting a very nice picture, Mr. Short, but it has come to my attention that if we wait for all these reports to go through channels and wait for the Secretary of State to come back from some trip and wait for the Secretary of Agriculture to come back from some trip and get together and find out if the reports can be made use of to the American agricultural industry, unless we can free the hands of the people in the Department of Agriculture who want to help in such a program as you suggest, are we going to be able to get any place?

It is my understanding that some cases, even as to reports that we have had from our Office of Foreign Agriculture, have taken days and weeks, and sometimes months to clear through channels before they are available to the producing people in the United States.

Mr. SHORT. Well, of course, that will have to be straightened out.

Mr. HORAN. That, I presume, is the intention of you gentlemen before us?

Mr. SHORT. That is right.

Mr. HORAN. We want to know what we can do to expedite that sort of a situation.

We would like to see these reports made directly to the men we hold responsible here—to the American agricultural producer.

It is for that reason I interrupt here, because what you say is what we want, but what stands in our path? Why do we stand here idle? If we can achieve that in rice, why can we not achieve it in other fields of agricultural production?

Mr. SHORT. This falling off of cotton exports can be attributed, in part, to the fact that foreign trade is down some 33⅓ percent. There are some psychological factors, in my opinion, that are responsible for that. For instance, today, our cotton inventories in Europe are very low. Reports coming in from our people over there now indicate they are very, very low in normal stocks which are being carried. I just believe that if we can establish confidence in what we are trying to do here, plus the fact that you raised, it is absolutely necessary that we have a direct pipeline to our representatives in these foreign countries and be in a position to ask for pertinent information and be certain those reports get back promptly so we can give prompt service to our trade—not only the farmers, but the people who have been responsible for carrying on this trade. I have found a tremendous demand over there for the very thing you are talking about—current and prompt information on what is the situation and condition relative to this commodity or that. We think that is very important, if we are going to try to firm up our international trade in agricultural products.

COMMODITY CREDIT BARTER

Mr. ROSSITER. Mr. Chairman, a minute ago Mr. Whitten referred to Commodity Credit barter arrangements. We have a short statement and Mr. Taylor from the Commodity Credit Corporation is here in case you want to develop that matter at this time.

Mr. HORAN. We will be glad for you to insert a statement in the record.

(Statement requested follows:)

STATEMENT ON COMMODITY CREDIT CORPORATION BARTER

The 81st Congress, Public Law 85, section 2, made it possible for the Commodity Credit Corporation to make contracts for the exchange of agricultural commodities acquired by CCC for strategic and critical materials produced abroad are entered into by CCC and private firms (United States) pursuant to section 2 of Public Law 85, 81st Congress. Upon receiving the strategic materials they are transferred to the national stockpile and reimbursement for them is made to CCC at fair market value as determined by GSA. The agricultural commodities are valued at a market price determined by CCC and these commodities must be exported. The total value of strategic and critical materials acquired through barter from June 1949 to date is approximately $51,707,213, and the materials involved were chromite, industrial diamonds, extra long staple cotton, and water fowl down.

The 80th Congress, under Public Law 806, made it possible for the Commodity Credit Corporation to barter United States agricultural commodities for materials needed in overseas programs of the United States Government. To date, about $16,900,000 of agricultural commodities have been bartered under this program.

The commodities which CCC have disposed of under barter deals, under both programs, have been wheat, cotton, corn, grain sorghums, and tobacco.

It has been a CCC policy not to make special price concessions for barter transactions, because such concessions would have adversely affected our cash sales abroad. Moreover, CCC has accepted, through barter, only such foreign-produced commodities as could be immediately resold to other Government agencies for the national stockpile of strategic and critical materials or for use in other Government programs.

It would appear possible, under certain conditions, to use barter as a means of expanding exports of our agricultural surpluses if we were to accept, in exchange for such surpluses, foreign-produced materials which our economy will need in increasing quantities as our population grows and our living standards rise. The acquisition of such materials would need to be in addition to the present military stockpiling program.

An effective program of this kind would require:

(1) That we obtain assurances from the respective foreign countries that whatever United States agricultural commodities they should acquire by means of barter would be in addition to, and not in place of, their regular commercial imports of such commodities; and

(2) That our purchases would be above our current needs, and that we, in turn, assure those countries that we would not dispose of those foreign-produced materials acquired by means of such barter for a period of several years (except of course in case of an emergency), so as not to interfere with the commercial markets which those countries now have in the United States.

By holding the raw materials acquired in exchange for our agricultural commodities over a period of some length, United States funds would, of course, remain tied up. On the other hand, it could be argued that it would be cheaper to stockpile foreign-produced minerals and metals than to hold, over a prolonged period, agricultural commodities which are subject to deterioration and relatively expensive to store.

If such a program were developed, it would, furthermore, have to be provided that the appropriate agency of the United States Government responsible for stockpiling such materials would have to be prepared to take title to the materials. This, in turn, would require authorization by Congress of the funds needed to pay for such materials.

It would appear possible, and in fact desirable, to utilize private trade in such a barter program and to allow our exporters to acquire the agricultural products to be bartered in the open market as well as from CCC.

We are, at present, studying the problems and implications of a program of encouraging private barter of United States agricultural commodities and hope to have definite recommendations.

United States agricultural commodities moved out, or to be moved out, of Commodity Credit Corporation inventory for export under barter program

Commodity	Unit	June 1949 to Apr. 20, 1953	
		Quantity	Value
Wheat	Bushels	22, 767, 400	$53, 428, 793
Corn	do	1, 944, 200	3, 822, 689
Cotton	Pounds	28, 164, 400	8, 525, 910
Grain sorghums	Hundredweight	795, 200	1, 824, 176
Tobacco	Pounds	3, 500, 000	1, 000, 000
Total			68, 601, 568

NOTE.—Of this total, $51,707,213 were bartered under the authority of Public Law 85, 81st Cong., and $16,894,355 under the authority of Public Law 806, 80th Cong. No price concessions whatsoever have been made by CCC on its commodities disposed of under barter, and on the other hand, CCC has insisted on the lowest competitive prices for materials received in exchange.

Mr. WHITTEN. I think it opens up a great field. Mr. Short's statement is fine, but I do not know that it gets down to earth as much as I would like to see it. As Mr. Horan has pointed out, we have a very big problem relative to the competition between the various departments of our own Government on which someone is going to have to work.

I recall many years ago that Secretary Acheson, who at that time was the Under Secretary of State, appeared before a committee headed by Mr. Pace, of Georgia, and on which I happened to be. He stated that if we in this country were to support the price of agricultural products at a given level, that it would be unfair to other countries to sell any surplus we had in the market place for what the market would pay, if that price was below the support price in this country. The State Department, to a considerable extent, carried that view over into this field of foreign trade, and, of course, it had a greatly depressing effect on it.

Now, whatever you say, most of the dollars we are spending in foreign countries today are either through Mutual Security, or through our military expenditures. The fight to get agricultural commodities moved today is still largely one of having the cooperation of the military and those who are spending our dollars in working out with these foreign countries means whereby the dollars we ourselves are spending through those 2 or 3 fields, are used on a mutually beneficial basis. In the field of strategic materials, nearly every country that you deal with does everything they can to get something else other than agricultural commodities in exchange for the materials. That is a field in which your agency should be interested.

I am pleased to see you sending representatives to the Far East. In Japan they are, perhaps, handling more dollars than most any country because of our military forces there; and, yet, Japan is right on the verge of getting her cotton from Pakistan, and you can see why, from the Japanesestand point. Pakistan will take back, in exchange, manufactured goods for their cotton.

I would like to make this point. Your fight is not over there in getting this information and distributing it over the country, although

that is important. Your fight is right here at home with the folks in our own Government who are giving too little attention to American production and American interests. It is a case of the State Department wanting to get along with everybody, and if someone makes a complaint, they would rather not have it.

I do not know that I would support a large force in your organization, if all we are going to do is get out information. This is a very big problem. With the present conditions throughout the world, we will have to have some amount to barter; we will have to reach some conclusion as to what we will take, so that these countries, in turn, can buy from us. It is my belief that strategic materials is not the limit at all, although in 175 years we have exhausted more natural resources than any nation in the same period in the history of the world. It is the right field, in my judgment, to explore. We might evolve a barter system for materials that may not be strategic, but which might be in short supply.

Mr. SHORT. Do not misunderstand me that this should be confined to strategic materials. I mean essential materials and raw materials we need for carrying on our industrial activities in this country, and that includes a lot of things.

Mr. WHITTEN. Any time you bring anything into this country, if someone here is supplying it and it affects that line of business, there will be complaints. And it is there that your reciprocal trade agreement is very essential, but it also opens up this barter system. Under present world financial conditions you must do it, or else you must have the cooperation of the military and the others who actually spend the money.

Mr. SHORT. I assure you that we will be as aggressive as we can be in attempting to find ways and means of disposing of our production.

Mr. HUNTER. I certainly am glad to hear you say, Mr. Short, that we should have a more aggressive policy in obtaining agriculture's share of the dollars abroad. I think it has not been sufficiently aggressive in the past. That has been one of the criticisms which has been voiced by many people, including Members of Congress.

TRANSFER OF EMPHASIS FROM REGIONAL BRANCH TO COMMODITY IN REORGANIZATION OF FOREIGN AGRICULTURAL ACTIVITIES

I note that the Secretary has established the Foreign Agricultural Service, which replaces the OFAR and permits a reorganization of the agency.

I believe that is under an order or directive 1320, supplement No. 1. This reorganization, I understand, is substantially in accord with the recommendations made by Mr. Wilcox, who was brought in by the Secretary to make a study of the situation; is that correct?

Mr. SHORT. Yes, sir.

Mr. HUNTER. What happens under this memorandum is that the funds are transferred from an old agency to a newly created one. Is it possible under the memorandum to drop personnel that are not needed in the new agency?

I bring that out because Mr. Wilcox, when he discussed this reorganization with me and others, stated that the emphasis would, among other things, be switched from what was formerly known as the regional branch to the commodity branch and the commodity branch

would be built up and the regional branch would, consequently, be somewhat reduced in size, which should result in a reduction in personnel in the regional branch.

Is there any intention to carry that out? I might as well be frank about the reason I make this point. It is because one of the reasons Mr. Wilcox came in was because people like Mr. Horan and Congressman Phillips and myself were very much discouraged with what was going on in the OFAR. I do not mean to reflect on any of you gentlemen here, because I don't believe any of you have been a party to what we consider the subordination of the OFAR to the State Department. We all agreed that in the Commodity Branch the morale was low. The work they were trying to do to promote the sale of our products abroad was frustrated time and again, and we were told unless something was done in time, we were going to lose many of the members of the Commodity Branch. Not only that, a lot of them would give up the battle, even though they might stay on. We feel that in this reorganization the main thing that should be accomplished is to give more emphasis to the Commodity Branch and that that Branch should improve and increase its efforts to develop and expand markets abroad for our agricultural commodities.

From reading your statement, I assume that is also your desire?

Mr. SHORT. Yes, sir, it certainly is. I would like to call attention at this point to the fact that the man-years in this Office have been steadily reduced to where in the last year we had about 100 man-years in the Office, when in 1947 we had 167, and it is not unreasonable to assume that the increased cost that is put in has not been the most encouraging thing from the standpoint of the organization that was given this tremendous responsibility. I want to say we are very happy to see that there has been a slight increase allowed this year by the budget for this work; and, further, that there will be, we understand, some funds provided under section 32 that we think will help us out to the point we can put the emphasis where this study indicates it ought to be put and that we outline in our statement. We think this will be in the direction of morale building and I assure you that in the reorganization we are going to try to build for efficiency and every economy possible. I do not think we will be able to do with the funds provided all the things we would like to do in this field which we think is absolutely essential to the welfare of American agriculture, because I sort of shudder to think of what might happen to American agriculture if we cannot stop this downward trend in our exports.

Mr. HORAN. Would you permit me to interpolate here?

Mr. HUNTER. Yes, sir.

Mr. HORAN. Here is something that disturbs the gentlemen of this subcommittee: 2 years ago there was entered into an informal agreement between the Secretary of Agriculture and the Secretary of State, and it was our feeling that this informal agreement was entered into in good faith, and later we heard elsewhere that hedging operations took place that practically abrogated that informal agreement. We do not want that to happen. You are acting in good faith now, as Mr. Hunter has developed, and we do not want some hedging operations to take place elsewhere, in MSA or the State Department that will have the effect of hedging out any progress we might be making up on top of the table.

Mr. HUNTER. Pursuing my line of thought further, it is my observation that the OFAR in the past has not done the job that it should. The responsibility for representing agriculture in international trade agreement conferences has been with the regional branch. Now, whether the personnel in that branch have not been free to do as they wished, or whether they have not been strong enough, or whatever the reason is, still over a period of years tariffs on agricultural commodities have been steadily reduced. Secretary Benson in a recent statement before one of the Senate committees pointed out that in 1930 tariff protection on agricultural commodities averaged about 50 percent of value, whereas, today, it averages about 13 percent of value. On the other hand the ad valorem on automobiles was 10 percent in 1930 and it is still 10 percent.

Most of the reciprocity on our part that has been going on for the last 20 years has been at the expense of American agriculture. I, personally, feel that every effort should be made to make this group more aggressive—make it stand up more for American farmers.

PURPOSES OF THE FOREIGN AGRICULTURAL SERVICE

As you pointed out, Mr. Short, your Service has two purposes: One is to find markets abroad and the other is to protect domestic producers.

I will point out one or two examples to explain what I am driving at.

Mr. HORAN. You have a very valid reason to do so.

Mr. HUNTER. Raisins are a good illustration of what often happens. One of the packers was abroad last year trying to find some place to sell raisins, which was a perfectly legitimate pursuit. He talked to an official of MSA in Germany about selling more raisins in Germany. He had found out from talking to brokers that if the Germans had the opportunity, they would buy raisins. However, this MSA man said the Germans could not afford to buy raisins; that their standard of living was such that they should buy other things.

I think it is a matter for the German people to decide what they want to do with their money. That is one of the things which I think this Office of Foreign Agriculture Service should seek to correct.

Another example of what happens, this same packer related that he went on to London where he talked to a representative of the Food Ministry. This packer stated that before the war the United States had sold a lot of bleached raisins in England. He knew the people in England liked bleached raisins and would buy them if they were available. The representative replied, "I do not like bleached raisins."

When things like that happen, of course, individual choice is denied and the natural course of trade is interrupted. That is something else which I think the Office of Foreign Agricultural Service should look into and seek to correct.

I believe, Mr. Short, you were talking to me about another situation which I think is very important. We have people employed by our Government who are abroad, helping foreign countries, not only to improve and increase their own production of agricultural commodities, but to go to other foreign countries to try to find markets for those commodities, which I think is out of the realm of proper action on the part of employees of the United States Government whose salaries are paid by American taxpayers.

Mr. ROSSITER. You will recall that we did not endorse that idea.

Mr. HUNTER. No, and I want to make it clear in the record that none of you gentlemen endorsed that. As a matter of fact, you pointed it out as something that should be corrected. I am glad you feel that way. The reason I brought it up is because I wanted the record to show that you gentlemen who are now in charge feel that such action is improper.

Mr. SHORT. I want to assure you that I feel that is very important. We should let the foreign countries know what type of goods and services we have available to them and I think it should be their choice to choose, not only the commodity, but the form in which it comes to them. We should advise them as to the quality and type of various commodities.

There is another point there that we found from discussing with some of the folks that have come to our office since I have been there, and I have only been there a few weeks, but we have discussed the need for flour and tobacco and cotton and other commodities, in various forms. We have varying qualities and standards and types and have developed techniques in how to blend these various things to get a more desirable food or fiber which have been developed in this country and we found there is a great need, and they would like to have this information and advice in connection with these techniques, and in that way we open up possible markets for our products. That is what we intend to do with some of these additional funds, that we can put these specialists on. Maybe, the man will not be a resident there, but a particular specialist might be needed to help open the market on certain products and we can send him there. We do not want to build up our staff any more than is necessary. We have these specialists in other agencies of the Department, and with this plan, we can give the foreign countries that type of information. Industrial and agricultural people who have come to us tell us that they feel there is a tremendous opportunity in that field for increasing demand for our products and making them more competitive.

Mr. HUNTER. People with whom I have talked who have studied this situation feel that in the past the commodities branch of OFAR has been short-changed, in that the regional branch has been developed at the expense of the commodities branch.

I understand there is going to be more emphasis in the future placed on this matter of marketing of commodities.

As I understand this memorandum, it will give you authority, if necessary, to release some personnel in order to hire others who are more expert in the field which we wish to emphasize.

Mr. SHORT. That is correct. We have the opportunity here to carefully analyze our personnel and that is going on at the present time. However, we have found some excellent personnel in the organization.

Mr. HUNTER. That is something which you cannot do in 2 weeks' time I know. You have to study the situation.

Mr. SHORT. Yes, sir. I am very happy that the Secretary has adopted the recommendation which Mr. Wilcox worked out, which emphasizes the importance he assigns to this agency and giving it the status in the Department which it has now. We have had other work assigned to us, such as the Commodity Credit Corporation Board, which I think is advantageous, and we have not been able to make

as much progress in reorganizing as we had hoped. However, we hope, as soon as the hearing is over, to get down to it.

Mr. HUNTER. The reorganization gives the Service much greater prestige in dealing not only with other agencies in the Department of Agriculture, but in dealing with other departments; for example, the Department of State. We now have a Director who has more rank, so to speak, and can speak with more authority.

Mr. SHORT. I think we ought to make it clear here that I do not see any desire on the part of the Department of Agriculture to set up an independent agency abroad in various countries. We feel there should be greater coordination in all of our foreign activities and we feel that our agricultural attachés should, of course, be under the general supervision of either the Ambassador or the Minister in the countries, from an administrative standpoint, but from a technical standpoint, we feel that we ought to have supervision of these folks in order to get the broad kind of service and type of service which we think is essential, if we have any hopes of carrying out our responsibilities to the American farmer.

FOREIGN SERVICE REPORTING FUNCTIONS

Mr. HUNTER. In that connection, Mr. Short, I have been advised that there is an Executive order in existence, and the number is 10249, which prescribes regulations with regard to Foreign Service reporting functions. This order, I understand, requires that whenever you wish a particular report from one of the agricultural attachés abroad on an agricultural problem, that request must, first, go through an agency within the Department of State for study and evaluation and then that agency decides whether or not the request should be fulfilled. If it decides in favor of the request, then it is forwarded to the particular attaché abroad. Then, when the attaché report. back, he reports to the State Department, which again decides who should take action and then, finally, sends it on to the Department of Agriculture.

Does this slow up and impede the work of your Department?

Mr. SHORT. Yes, sir. Mr. Rossiter is more familiar with that.

Mr. HUNTER. Would you, Mr. Rossiter, care to elaborate some on how this order affects the efficiency of your operations?

Mr. ROSSITER. Well, Mr. Hunter, you are correct. It certainly has impeded some of our opportunities to obtain agricultural information from the Foreign Service. Executive Order No. 10249 was published in the Federal Register 4 days before we were asked to comment on it. After receiving it, we felt that it was not satisfactory to us, but since it was an Executive order, it was best to live with it, and if the people administering the order maintained the right attitude it was possible to work under the order.

Mr. HUNTER. What is the date of the Executive order, Mr. Rossiter?

Mr. ROSSITER. June 6, 1951.

Mr. LAIRD. I wonder if we could have that order inserted in the record at this point?

Mr. HORAN. Yes. I think it brings out, very clearly, what the difficulties are.

(Executive order requested follows:)

EXECUTIVE ORDER 10249 PRESCRIBING REGULATIONS WITH RESPECT TO FOREIGN SERVICE REPORTING FUNCTIONS

By virtue of the authority vested in me by section 311 of the Foreign Service Act of 1946, 60 Stat. 1002 (22 U. S. C. 846), and as President of the United States, I hereby prescribe the following regulations with respect to the reporting functions of the Foreign Service of the United States.

SECTION 1. As used in this order, the words "foreign data" shall mean any data obtained or to be obtained in foreign countries, including reports, statistics, and publications.

SEC. 2. Subject to the provisions of this order, the Department of State shall obtain for any Federal department or agency, through the Foreign Service of the United States such foreign data as such department or agency may request through the Department of State.

SEC. 3. The Secretary of State is authorized and directed to prepare and maintain, for use in carrying out the purposes of this order, (a) a comprehensive statement of the types of foreign data appropriate to be obtained through the Foreign Service which would be of substantial use to the United States, with due attention in the preparation of this statement to the relative importance of the several types of data; and (b) standards which shall govern the determination by the Department of State to transmit or not to transmit to the Foreign Service, for action, any request for foreign data, and which shall also govern the assignment of priorities by the Department of State to the several requests transmitted by it to the Foreign Service for action. In connection with the preparation of the said statement and standards and any revision thereof, the Department of State shall afford interested Federal departments and agencies opportunity for consultation and shall accord their advice appropriate consideration.

SEC. 4. The Department of State may assign priorities to requests for foreign data, which priorities shall govern the Foreign Service in connection with the furnishing of the requested data; and it may take such measures as may be necessary or appropriate to keep the work falling upon the Foreign Service by reason of the furnishing of data to Federal departments and agencies within the resources of the Foreign Service available for such work. In carrying out the provisions of this section, the Department of State shall, to the extent practicable, be guided by the determinations of any other department or agency requesting foreign data as to the relative priorities of any two or more requests made by such department or agency.

HARRY S. TRUMAN.

Mr. ROSSITER. Mr. Chairman, we have taken this up with the Department of State several times and the people on top side agree with our views, that the Department of Agriculture should have the major responsibility in deciding what type of agricultural information should be asked of the Foreign Service officers, but it does not get beyond the top echelon in State. In fact, our work has been impeded very much by folks deciding that it was not necessary for many requests that we have submitted through the State Department to be sent abroad.

Mr. HUNTER. Very often, even when you do succeed in convincing them a particular report is necessary, it still requires considerable time and effort on the part of your personnel to sell this little censorship group on the idea?

Mr. ROSSITER. That is correct, Mr. Hunter.

PROBLEMS ENCOUNTERED IN REQUESTING AGRICULTURAL INFORMATION FROM THE FIELD

Mr. HORAN. Could you put in the record some examples of how your requests for reports have been turned down? I think it points up what has happened to some of our efforts abroad to promote agricultural trading when it gets into this field.

Mr. SHORT. We could prepare a sample of what has happened. We can show the agricultural schedule that we had and how we were asked to reduce it. I have here our reduced schedule, and this

is what was finally sent out. This happens to be on deciduous fruits and dry fruits and about 90 percent of the requests were deleted for certain posts.

Mr. HORAN. I thought it was quite complete, but along this line could you furnish something that will make this record a little bit more eloquent in that field?

(Information requested is as follows:)

The following are a few examples of some of the specific problems which the Department of Agriculture has been encountering in requesting agricultural information from the field. No request, no matter how simple, is permitted to go to attachés without a screening process by the Department of State. The examples attached give an indication of reductions made in the regular reporting schedules of the Department of Agriculture. The proposed schedules from this Department were based on more than two decades of experience in foreign agriculture. The revised Division of Foreign Reporting versions are apparently conceived on the basis that reductions themselves are the important end result. The Department of Agriculture has found that the revised schedules, as prepared by REP, fail to provide the coverage essential for top usefulness to American agriculture.

Exhibit A—Country, Denmark, agricultural reporting requirements.

Exhibit B—Dried fruit and nuts agricultural reporting requirements for selected countries.

Exhibit C—Citrus and deciduous agricultural reporting requirements for selected countries.

Exhibit D—Statement on dairying reporting requirements.

EXHIBIT A

Agricultural reporting—Denmark

Commodity and subject	Agriculture recommendations to (REP) State 1952	(REP) State final action taken, schedule 1952
	Due date Washington	*Due date Washington*
Agricultural policy	Jan. 15	Jan. 15.
Cotton	Sept. 20	Sept. 20.
Crop conditions	June through October	June through October.
Dairying	Mar. 10	Deleted.
	June 10	Do.
	Sept. 10	Do.
	Dec. 10	Do.
Eggs and poultry	Feb. 15	Do.
	May 15	Do.
	Aug. 15	Do.
	Nov. 15	Do.
Farm machinery	May 15	Do.
Farm organizations	Dec. 15	Do.
Fats and oils	Apr. 20	Apr. 20.
Fertilizers	Oct. 1	Oct. 1.
Food supply	Nov. 15	Nov. 15.
Fruit, citrus	Oct. 15	Deleted.
Fruit, deciduous	Mar. 15	Do.
	Aug. 15	Do.
Grains and feeds	Feb. 15	Feb. 15.
	May 15	May 15.
	Aug. 15	Aug. 15.
	Nov. 15	Nov. 15.
Hemp and flax	Oct. 20	Deleted.
Livestock and meat	Feb. 20	Feb. 20.
	May 20	Deleted.
	Aug. 20	Do.
	Nov. 20	Do.
Hog slaughter, cable	Sept. 20	Do.
Livestock products	Monthly 15th	Monthly 15th.
Naval stores	Feb. 28	Deleted.
Potatoes	Apr. 1	Apr. 1.
Seeds	Nov. 5	Dec. 15.
Sugar	Apr. 1	Apr. 1.
	Nov. 1	Deleted.
Tobacco	Mar. 15	Mar. 15.
Wool	May 15	May 15.
Total recommended	52	Approved, 32.

The Department of Agriculture requested 52 reports from the mission in Denmark of which 32 were approved by REP–State for transmittal to the mission. Some of the 32 reports approved were reduced in essential content requirements. Certain of the commodity information requested was combined into an overall commodity report or included in a general agriculture or food report. This grouping system of REP–State is entirely unsatisfactory and the type of information required will not be received, or received in time to be of value to American agriculture.

All agricultural commodity reports are placed under a REP category which only provides for the submission of statistical data. The instructions pertaining to agricultural reports call for comments, analysis and interpretation.

EXHIBIT B

Agricultural reporting—Dried fruit, nuts

Country and commodity	USDA–FAS recommended schedule 1952	(REP–STATE) action taken final schedule 1952
Spain:	*Due date, Washington*	
Apricots, dried	Mar. 1	
Do	Oct. 1	
Figs, dried	Jan. 15	Jan. 15.
Do	Oct. 15	
Raisins	Feb. 15	
Do	Sept. 15	
Almonds	Jan. 5	
Do	June 5	
Do	Sept. 1	Aug. 24. Dec. 26.
Filberts	July 1	
	Aug. 24	
	Dec. 26	
Total recommended	12	Approved, 3.
Italy:		
Figs, dried	Jan. 15	Jan. 15.
Do	Oct. 15	Deleted.
Almonds	Jan. 5	
Do	June 5	
Do	Sept. 1	
Filberts	July 1	Aug. 24. Dec. 26.
Do	Aug. 24	
Do	Dec. 26	
Walnuts	Jan. 20	
	Sept. 20	
Total recommended	10	Approved, 3.
Turkey:		
Figs, dried	Jan. 15	
	Oct. 15	Jan. 15. Sept. 15.
Raisins	Feb. 15	
	Sept. 15	
Filberts	July 1	
	Aug. 24	
	Dec. 26	Aug. 24. Dec. 26.
Walnuts	Jan. 20	
	Sept. 20	
Total recommended	9	Approved, 4.

Because of combining and alterations of due dates, it is no longer possible to prepare and issue the same type of comprehensive world summary on these commodities as was done under the previous system.

	Reports
Dried fruit and nut reports recommended by Agriculture	100
Dried fruit and nut reports finalized by State	51
Reduction	49

EXHIBIT C

Agricultural reporting—Fruit, citrus and deciduous

Country and commodity	USDA–FAS recommendations, 1952	(REP-State) action taken final schedule, 1952
Denmark, Norway, Sweden: Fruit, citrus.	Marketing and outlook reports due, Oct. 15.	Deleted.
Germany, United Kingdom: Fruit, citrus.	do	Do.
Denmark, Norway, Sweden: Fruit, deciduous.	Annual reports due, Mar. 15	Do.
	Seasonal reports due, Aug. 15	Do.

In the case of Denmark, Norway, and Sweden, REP-State, directs a summary of foreign trade and production of fruit to be included in section C, analytic reporting, food supply, report due November 15.

Agriculture recommended deciduous reports from 21 different countries to reach Washington by August 15. Information from these countries during the growing season is important for use in the outlook situation. Of these 21 reports 14 were deleted from schedule by REP-State.

AGRICULTURAL DAIRYING REPORTING

In the case of dairying and dairy products, the Department of Agriculture reviewed its schedule of required reports in early 1952 and reduced its requirements to a minimum. The Department of State, however, eliminated 39 out of the requested 87 reports leaving only 48 dairy reports in the schedule. The required content of the remaining reports was reduced in scope. Furthermore, in the case of the Netherlands and Denmark, two important dairy countries, not one specific report on dairying alone was left in the schedule. The request for information on dairying as permitted to remain in the schedule was partially included in other reports. This procedure has reduced the effective use of the information in servicing other agencies of the United States Government as well as the United States dairy industry. The results are now being seriously felt in the current investigations on imports and prospective competition being conducted by the Congress and by the Tariff Commission.

In addition to disrupting the reporting from the Netherlands and Denmark, a total of 11 reports were deleted during 1952 from the important consuming and producing countries of Belgium, Germany, Ireland, United Kingdom, and Italy.

PERSONNEL IN DEPARTMENT OF STATE, DIVISION OF FOREIGN REPORTING SERVICES

Mr. HUNTER. Mr. Rossiter, could you get, for the record, the number of employees hired by this particular agency when it was first established and the number of employees which it has today?

Mr. ROSSITER. I would be glad to do so.

Mr. HUNTER. And include, also, the appropriation for that agency for this current fiscal year.

Mr. ROSSITER. Yes, sir; insofar as we are able to get it, Mr. Hunter.

(The information requested follows:)

Positions and appropriations for the Division of Foreign Reporting Services

Actual 1951:	
Number	46
Annual rate	$204,050
Estimate 1952:	
Number	42
Annual rate	$199,850
Estimate 1953:	
Number	42
Annual rate	$199,850

Source: Appropriation hearings 1952. Department of State, pt. 1.

Mr. WHITTEN. Mr. Hunter, could you ask there if he would also put in the record the average time that it takes for a request from your agency to come back with approval or disapproval?

Mr. ROSSITER. That would be rather difficult, Mr. Whitten. The reason for that is that many requests go right through, while others are held up.

ACTION BY STATE DEPARTMENT ON REQUESTS FOR INFORMATION FROM FIELD

Mr. WHITTEN. I would like to know how many requests which you have sent over there have been turned down and how long it took to get some action on them.

Mr. SHORT. All right. We will insert that for the record. It, sometimes, has impeded the work and required a lot more effort and lost motion on our part. If the top officials would only entrust to the Department of Agriculture the responsibility of the Government for all the food and agricultural requests in the foreign service, I think it could be worked out satisfactorily to us and other agencies.

(Information requested is as follows:)

AGRICULTURAL SINGLE-TIME REPORTING REQUESTS

No record has been kept of the rejections of Agriculture requests for foreign data submitted to the Department of State for transmittal to the field. During the past 60 days the office submitted 47 requests for information. The following action was taken by the Division of Foreign Reporting: 21 were approved, 12 were rejected, 14 were changed from cables to airgrams.

Of the 21 cables approved by State, justification was asked for each request such as the reason for requesting the information; what use is to be made of it; whether or not information requested is absolutely essential. It generally takes a full working day to clear each request through Department of State channels.

Mr. ROSSITER. Almost daily we have occasion to send cables and other spot requests to our attachés for agricultural information. Many of these spot requests are to provide us with information to fill in gaps in world commodity summaries. One request may be on wheat and the next on dried fruits. Always it is our purpose to provide American farming interests with most complete and up-to-date information possible.

On numerous occasions our request for quick replies to unanswered agricultural questions are challenged by State. I think an example will serve as illustration. I remember early in March we were working on some international hop summaries. We found some gaps. We prepared cables requesting estimates of new crop and revision of previous crop. First the cables were turned down. Then we were finally able to have the requests sent out by air mail. All of this arranging took two or three days. The requests finally were sent, but there was a lot of lost motion.

What I am trying to say is that these spot requests not involving policy should speed right onto the field. The wrangling about reasons and content are time consuming and cause frayed nerves. It should not take a busy commodity man several hours of explanation to get approval of a simple cable.

We've had other holdups. I remember questions being raised on tobacco, figs, and cocoa recently. I don't want to labor the point, but I do think this double checking, even triple checking, is wasteful. A commodity man of 20 years' experience ought to have judgment as to what is needed from the field by this time.

RESPONSIBILITY FOR DETERMINING INFORMATION TO BE REQUESTED ABROAD

Mr. HUNTER. Mr. Short, do you feel that the Department of Agriculture could properly take the responsibility for determining what information regarding agricultural matters should be requested of our various agencies abroad?

Mr. SHORT. Yes; I do, Mr. Hunter, from two standpoints. I think it would be desirable for us to assume that responsibility within the Department of Agriculture, since this Department certainly should be qualified—if they are qualified to be within the organization, they should be qualified to make these determinations. They are agricultural specialists and we feel that in the interest of economy that this is the way it ought to operate: That we be responsible for requesting the type of information that we feel we need from abroad from all of our agricultural representatives in the field, and that those reports be made back promptly to us in order that we can give prompt action and disseminate this information—analyze it and disseminate it to the trade and to the farmers.

I want it strictly understood that we recognize we have to have some coordination in our foreign staff, but we can attain that through sending copies to the State Department or to the interdepartmental agencies, not only in regard to requests, but the information that is sent back to us, in order that all agencies that are interested in this thing can have the information that we get. We feel it is absolutely necessary from a technical standpoint that we have supervision of our agricultural attachés.

Further, I would like to state, gentlemen, that this has been called to the attention of the affected agencies and it has been called to the attention of the reorganization committee that the President has set up, and we are very hopeful that progress can be made in this direction.

Mr. HUNTER. I think, Mr. Short, that your position is very sound and logical and I certainly concur in it.

Mr. MARSHALL. I have been interested in your statement, Mr. Short. Also the statements of the other members of your group. You have made what appears to me to be great progress in getting your department in operation in the short time that you have had. You have a plan which you have proposed to the committee this morning whereby you can get information that is needed more quickly. You have talked in terms of building up your staff with people who are experienced in their field to make use of that information.

You have also mentioned the use that could be made and that you expect to make of section 32 funds to move some of the agricultural commodities, as I understand it.

In addition to that, Mr. Short, do you have any other specific proposals that may aid in the moving of our agricultural products in export trade?

Mr. SHORT. Not at the moment. We feel that we should not only find where the need for these products is, but we feel we ought to try to cooperate with our foreign friends in finding ways and means by which they can get the wherewithal to pay for them. I think we have a wide open field in that respect. The first thing we hope we can do is

to get some specialists in the field to service, not only our full time needs, but to push this program. Last year we had 3 full-time men, with 5 part-time men, but we hope we can increase that staff to about 8, with some additional part-time men and have some funds left so that we can, if there comes a special need for technical advice in a special field, be in a position to render that kind of service to our prospective customers.

FOREIGN MARKETS FOR DAIRY PRODUCTS

Mr. MARSHALL. To be a bit more specific, do you have any thoughts in mind at the present time toward finding a market for dairy products?

Mr. SHORT. Yes. I am glad you mentioned dairy products.

We have just received a report from a young man who has just come from India, and he advises us he feels there are possibilities in India for sale of dairy products. They expressed a great desire for increasing the standard of the diet of the Indian people and they have inquired about what services are available here in the new technological development in the handling of dairy products. He advised me the other night that he felt if we could really get into that field, we would have a real opportunity of increasing exportation of dairy products.

You probably are familiar with the fact that presently we are furnishing our Armed Forces in Korea with dairy products that are being reconstituted over there. Some of our merchandisers and processors in this country are cooperating with us on that and have done a wonderful job.

For instance, the industry has built up a trade for dairy products in Mexico, and we have other inquiries for information, and by reason of these inquiries, we are making a special study right now in the whole field of dairy marketing and merchandising at the request of the PMA. We are very hopeful that we can open up a whole new field in that regard, and, certainly, it would be a great help to the dairy industry at the present time.

Mr. MARSHALL. That prompts some of the interest of this committee in that regard. We are interested in trying to find a system or method by which we can assist in solving the dairy problem.

Mr. SHORT. I just had a gentleman in from your State the other day, Mr. Marshall, who represents the North Star and he outlined the program they have in Mexico and was looking for assistance from us. I think they have done a very magnificent job down there and he indicated to us that it was due to a lot of help they had gotten from the Department. We feel there is a real opportunity in that field.

Mr. MARSHALL. I attended an annual creamery meeting in my district last fall where the North Star made a report as to what markets they had developed in Mexico. This to me was substantial. I think they are doing a grand work in connection with the dairy program.

We hear a lot of comment about price supports. Has the price support program of this country interfered with the export program¿

Mr. SHORT. Yes. That was one of the problems which this gentleman was talking about. For instance, we are supporting dairy milk

solids at just a little above the market price. This problem in Mexico is broadening and that is why they wanted help and we are investigating it at the present time.

A few days after the Secretary of Agriculture came in he had to make a decision as to whether to continue these supports. He continued them on the same basis as fiscal year 1952, and the dairy industry pledged to us to really make a study of the whole marketing setup of the dairy industry. I was very much impressed with the enthusiasm with which the dairy industry has approached their responsibilities in that field. We feel we can be of some help to them. I just believe, personally, with that sort of approach to our problems we can really make progress in this field.

Further, I think to the extent we can bring this sort of information to our various agricultural industries we can make progress in bringing more into harmony our foreign and domestic policies and build ever-expanding markets for agricultural commodities, both at home and abroad.

Mr. MARSHALL. At this point, it may not be generally understood, but I think it ties in with our foreign trade. That is the amount of funds we have used out of the Marshall plan to purchase American farm products and particularly dairy products.

I wonder at this point in your discussion if you might not include a statement showing the amount of dairy products that were purchased in the year 1951, for example, by Marshall-plan funds, which were not used to any extent last year?

Mr. SHORT. I would be very happy to do that.

(Statement requested follows:)

Mutual Security Administration funds used to purchase American dairy products

July 1951 to June 30, 1952	$566,000
July 1, 1952 to Jan. 1, 1953	325,000

FARM INCOME AND VALUE OF AGRICULTURAL EXPORTS

Mr. MARSHALL. When Mr. Wells was here, he gave us some very useful figures on the value of farm exports for a period of years and I wonder if you might not be able to supplement that information by giving us a narrative statement showing what the gross farm income and that part of it that was represented by export trade in income. Do you have that broken down?

Mr. SHORT. I think we can give you some information on that.

Mr. ANDERSEN. Anything that you can furnish will be appreciated.

(Information requested follows:)

The following table gives United States farm income, value of agricultural exports, and the percent in value of our exports of the total farm income.

Cash receipts from farm marketings and the value of agricultural exports, 1925–52

Date	Cash receipts from farm marketings	Agricultural exports [1]	Agricultural exports as percent of cash receipts [1]	Date	Cash receipts from farm marketings	Agricultural exports [1]	Agricultural exports as percent of cash receipts [1]
	Million dollars	*Million dollars*	*Percent*		*Million dollars*	*Million dollars*	*Percent*
1925	11,021	2,136	19.4	1939	7,819	655	8.4
1926	10,550	1,817	17.2	1940	8,332	517	6.2
1927	10,732	1,885	17.6	1941	11,075	669	6.0
1928	10,988	1,863	17.0	1942	15,486	1,185	7.7
1929	11,299	1,693	15.0	1943	19,358	2,095	10.8
1930	9,050	1,201	13.3	1944	20,377	2,133	10.5
1931	6,369	821	12.9	1945	21,383	2,294	10.7
1932	4,735	662	14.0	1946	24,564	3,172	12.9
1933	5,308	694	13.1	1947	29,706	3,957	13.3
1934	6,314	733	11.6	1948	30,207	3,472	11.5
1935	7,074	747	10.6	1949	27,944	3,578	12.8
1936	8,356	709	8.5	1950	28,328	2,873	10.1
1937	8,819	797	9.0	1951	32,022	4,040	12.4
1938	7,703	828	10.7	1952	33,125	3,427	10.3

[1] Export values have not been converted to farm values regularly in detail but rough calculations made for some selected prewar years indicate that agricultural export prices tend to run from one-fourth to one-third above prices received by farmers.

Mr. MARSHALL. Of course, there is a lot more involved in this export trade than merely the welfare of the farmer.

Mr. SHORT. Correct.

JOBS AFFECTED IN SUPPLYING PRODUCTS FOR EXPORT MARKETS

Mr. MARSHALL. In the discussion that we have had this morning, which I think has been most enlightening, I do not believe we have made any mention as to how many jobs are affected by the export trade, the agricultural export trade, from this country.

Do you have some figures that you could supply us showing the number of jobs and man-years involved from the agricultural export market?

Mr. HORAN. And the absence of an export market would mean unemployment in some cases.

Mr. MARSHALL. Could you give us a good picture of the jobs it has created and the amount of man-hours of employment that are involved in supplying these products for the export market?

Mr. ROSSITER. That would include railroads, the number of ships and the dock workers? We can make an attempt at it.

WORLD PRICE SITUATION AND TARIFFS ON COMMODITIES UNDER PRICE SUPPORT PROGRAM

Mr. MARSHALL. Mr. Short, there has been considerable interest shown in connection with the price support programs as they have affected the world market situation. I wonder if it would be possible for you to put into the record the figures which would show what the world price situation is on those products, what the tariff is on those products, and what the support price is of those products domestically for the years we have had price support in effect upon those commodities.

(The material requested is as follows:)

TABLE 1.—*Average prices at which CCC has supported basic commodities and dairy products annually, 1933–52*

Year	Corn	Cotton, upland	Peanuts	Rice	Wheat	Tobacco [1]		Butterfat	Milk for manufacturing
						Burley, type 31	Flue-cured, types 11–14		
	Bushels	*Pounds*	*Pounds*	*Hundredweight*	*Bushels*	*Pounds*	*Pounds*	*Pounds*	*Hundredweight*
1952	$1.60	$0.3091	$0.120	$5.04	$2.20	$0.495	$0.506	$0.692	$3.85
1951	1.57	.3046	[2] .115	5.00	2.18	.498	.507	.676	3.60
1950	1.47	.2790	[2] .108	4.36	1.99	.457	.450	.600	3.07
1949	1.40	.2723	[2] .105	3.96	1.95	.403	.425	.585	3.14
1948	1.44	.2879	[2] .108	4.08	2.00	.424	.439	[3]	[3]
1947	1.37	.2649	[2] .100	3.76	1.84	.403	.400	[3]	[3]
1946	1.15	.2283	[2] .086	[4]	1.49	.336	.321	[3]	[3]
1945	1.01	[5] .1984	[2] .075	2.82	1.38	.290	.297	[3]	[3]
1944	.98	[5] .2003	[2] .073	[4]	1.35	.282	.289	[3]	[3]
1943	.90	.1841	[2] .071	[4]	1.23	.270	.276	[3]	[3]
1942	.83	.1702	[2] .066	2.30	1.14	.246	[6]	[3]	[3]
1941	.75	.1402	.0435	2.06	.98	.200	.196	[3]	[3]
1940	.61	.0890	[7]	----------	.64	.164	.150	[3]	----------
1939	.57	.0870	[7]	----------	.63	----------	.154	[3]	----------
1938	.57	.0830	[7]	----------	.60	----------	----------	[3]	----------
1937	.50	.0900	[7]	----------	----------	----------	----------	----------	----------
1936	.55	----------	----------	----------	----------	----------	----------	----------	----------
1935	.45	.1000	----------	----------	----------	----------	----------	----------	----------
1934	.55	.1200	----------	----------	----------	----------	----------	----------	----------
1933	.45	.1000	----------	----------	----------	----------	----------	----------	----------

[1] Other types less important from a volume standpoint than flue-cured and burley were supported for the first time as early as 1937.
[2] Computed from announced percent of parity.
[3] Supported by different operations and at various levels ranging from a low of 23¼ cents for butter during 1939 to 90 percent of parity.
[4] Loan rates were not announced because market price was so far above mandatory support level of 90 percent of parity.
[5] Purchase programs were announced during the year. The initial purchase price was increased 5 points a month for 7 months from 20.85 cents during 1944, and for 10 months from 20.90 cents during 1945.
[6] Support level was revised from 23.7 to 25.1 cents per pound Oct. 2, 1942.
[7] Nonrecourse loans were made to peanut cooperatives to facilitate surplus removal.

TABLE 2.—*Average prices received by farmers for basic commodities and dairy products, annually, 1933–52*

Crop year	Corn	Cotton	Peanuts	Rice	Tobacco		Wheat	Butterfat [1]	Milk [1] (wholesale)
					Burley	Flue-cured			
	Dollars per bushel	*Cents per pound*	*Cents per pound*	*Dollars per hundredweight*	*Cents per pound*	*Cents per pound*	*Dollars per bushel*	*Cents per pound*	*Dollars per 100 pounds*
1952 preliminary	1.57	[1] 36.9	11.0	5.87	N. A.	N. A.	2.09	74.1	4.85
1951	1.66	37.88	10.4	4.82	51.2	52.4	2.11	71.1	4.58
1950	1.53	40.07	10.9	5.09	49.0	54.7	2.00	62.0	3.89
1949	1.75	28.58	10.4	4.10	45.2	47.2	1.88	61.6	3.95
1948	1.30	30.38	10.5	4.88	46.0	49.6	1.99	79.9	4.88
1947	2.16	31.93	10.1	5.97	48.5	41.2	2.29	71.8	4.27
1946	1.56	32.64	9.10	5.00	39.7	48.3	1.91	[2] 64.3	[2] 3.99
1945	1.27	22.52	8.27	3.98	39.4	43.6	1.50	[2] 50.3	[2] 3.19
1944	1.09	20.73	8.04	3.93	44.0	42.4	1.41	[2] 50.3	[2] 3.21
1943	1.12	19.88	7.12	3.96	45.6	40.2	1.36	[2] 49.9	[2] 3.12
1942	.917	19.04	6.08	3.61	41.8	38.4	1.10	39.6	2.58
1941	.751	17.03	4.66	3.01	29.2	28.1	.944	34.2	2.19
1940	.618	9.89	3.33	1.80	16.2	16.4	.682	28.0	1.82
1939	.568	9.09	3.40	1.62	17.3	14.9	.691	23.9	1.69
1938	.486	8.60	3.27	1.42	19.0	22.2	.562	20.3	1.73
1937	.518	8.41	3.30	1.46	20.1	23.0	.962	33.3	1.99
1936	1.04	12.36	3.72	1.85	35.7	22.2	1.025	32.2	1.88
1935	.655	11.09	3.14	1.60	19.1	20.0	.831	28.1	1.72
1934	.815	12.36	3.28	1.76	16.9	27.2	.848	22.7	1.55
1933	.520	10.17	2.85	1.73	10.5	15.3	.744	18.8	1.30

[1] Prior to Dec. 1, 1952.
[2] Does not include production payments made October 1943 to June 1946.

Source: Compiled by Foreign Agricultural Service from publications of BAE.

TABLE 3.—*Import duties on basic commodities and dairy products: Rates under Tariff Act of 1930 and as of Jan. 1, 1945, and Jan. 1, 1953*

Tariff, paragraph—	Commodity	Unit	Tariff Act of 1930	1945	1953
724	Corn (excluding seed corn).	Bushel	25 cents	25 cents	25 cents.
783	Cotton:*				
	Under 1⅛ inches		Free	Free	Free.
	1⅛-1 1/16 inches	Pound	7 cents	3.5 cents	3.5 cents.
	1 1/16 inches and over	do	do	do	1.75 cents.
759	Peanuts:				
	Shelled	do	do	7 cents	7 cents.
	Not shelled	do	4.25 cents	4.25 cents	4.25 cents.
	Product of Cuba	do		3.4 cents	3.4 cents.
727	Rice:				
	Brown	do	1.5 cents	1.5 cents	1.5 cents.
	Milled	do	2.5 cents	2.5 cents	2.5 cents.
	Product of Cuba	do		1.6 cents	1.6 cents.
	Paddy or rough	do	1.25 cents	1.25 cents	1.25 cents.
	Broken	do	⅝ cents	5/16 cents	5/16 cents.
601	Tobacco:				
	Filler:				
	Cigarette leaf:				
	Stemmed	do	50 cents	50 cents	50 cents.
	Unstemmed	do	35 cents	30 cents	15 cents.
	Other:				
	Stemmed	do	50 cents	50 cents	25 cents.
	Product of Cuba.	do		20 and 40 cents	20 cents.[1]
	Unstemmed	do	35 cents	35 cents	17½ cents.
	Product of Cuba.	do		14 and 28 cents	14 cents.[1]
	Wrapper:				
	Stemmed	do	$2.925	$2.15	$1.72.
	Product of Cuba.	do		$1.72	$1.72.
	Unstemmed	do	$2.275	$1.50	$1.00.
	Product of Cuba.	do		$0.91	$0.91.
729	Wheat, fit for human consumption.*	Bushel	42 cents	42 cents	21 cents.
709	Dairy products:*				
	Butter:				
	Nov. 1-Mar. 31	Pound	14 cents	14 cents	7 cents on 50 million pounds.[2]
	Product of Cuba.	do		11.2 cents	([3]).
	Apr. 1-July 15	do	14 cents	14 cents	7 cents on 5 million pounds.[2]
	Product of Cuba.	do		11.2 cents	([3]).
	July 16-Oct. 31	do	14 cents	14 cents	7 cents on 5 million pounds.[2]
	Product of Cuba	do		11.2 cents	([3]).
	All other	do	14 cents		14 cents.
	Product of Cuba	do		11.2 cents	11.2 cents.
710	Cheddar cheese, valued not over 20 cents per pound.	do	7 cents	4 cents	3 cents.
	20 cents per pound and over.		35 percent	25 percent	15 percent.
708 (b)	Nonfat dry milk solids	do	3 cents	3 cents	1.5 cents.

[1] The lower rate applied to a quota of 22,000,000 pounds of Cuban stemmed or unstemmed tobacco (excluding cigarette leaf) and of Cuban scrap tobacco.
[2] 14 cents per pound on imports over the tariff quota.
[3] The tariff quota applies to all countries, including Cuba. Imports from Cuba after the quota is filled are dutiable at 11.2 cents per pound.
*Imports limited by quota.

PRICES IN INTERNATIONAL TRADE FOR AGRICULTURAL COMMODITIES

As a result of trade and exchange controls and special trading arrangements, considerable price differentials are still prevailing in international trade between comparable grades and quantities of the same agricultural products. No price can, therefore, be considered truly a world market price. As regards prices in international trade for the individual commodities, the situation is briefly as follows:

1. Cotton

World cotton quotations, as such, have not existed since the Liverpool cotton market was closed at the beginning of World War II. Quotations available regularly from the cotton exchanges in the major producing countries are for locally produced cotton and do not include export taxes and other charges collected before the cotton reaches points of destinations. Such quotations as have been available in postwar years for market centers in the importing countries usually are controlled prices paid by local mills for cotton obtained through Government purchasing agencies, and do not represent accurately the actual cost of the cotton. The series of prices shown in table 4 are the most representative data available for comparing prices of various growths at any specific time and location.

TABLE 4.—*Cotton: Approximate prices of United States and other growths landed at ports of Western Europe*

[In equivalent United States cents a pound, net weight]

Date	United States		Brazil	Mexico	Pakistan	Turkey	Syria	Peru
	Orl-Tex. M 1 5/16 inch	Memphis 1 1/16 inches	São Paulo type 5	Matamoros SM 1 1/16 inches	289NT Punjab	Adana Acala I	Good quality	Tanguis type 5
1950								
Nov. 2	44.29	47.55	75.27	[1] 70.02	----------	65.35	----------	51.93
1951								
Apr. 6	50.18	53.15	73.52	66.52	84.78	87.52	78.77	81.69
Nov. 1	42.10	44.31	67.64	44.31	58.89	58.31	55.98	53.64
1952								
Apr. 4	45.89	48.63	48.40	44.55	55.22	47.23	46.65	41.40
Nov. 6	39.47	41.92	[1] 58.31	41.40	40.23	40.23	40.82	----------
1953								
Apr. 2	36.14	39.83	[2]	37.84	36.72	36.66	36.96	38.72

[1] Nominal.
[2] There is no established export price.

2. Wheat

Before the Liverpool Exchange closed in September 1939, its quotations were often referred to as the world price. There have been no comparable prices since 1939.

The bulk of the wheat moving in world trade during the past 3 years has moved at a price equivalent to the basic maximum price under the terms of the International Wheat Agreement of 1949. This price was $1.80 per bushel for No. 1 Manitoba Northern, in bulk, in store, Fort William/Port Arthur. For United States wheat the equivalent over the life of the agreement has averaged approximately $1.95 per bushel for No. 1 Hard Winter, f. o. b. Gulf ports.

As regards wheat moving outside the agreement, Canadian prices have followed the United States domestic market, but have averaged 15 to 20 cents per bushel lower.

Wheat has recently been offered by Argentina for export, f. o. b. Buenos Aires, for $2.34 per bushel, if payment is made in dollars. Most Argentine wheat which has moved into the export market in recent years has been involved in barter deals; consequently, prices comparable to those above would be difficult to determine. As regards Russia, we do not have price information comparable to the above. Reported prices on barter deals have little significance, but, in general, appear substantially higher than prices of wheat for export from the United States, Canada, and Australia.

3. Corn

The United States has been the world's principal corn exporter in recent years, with exports averaging about 100 million bushels for the past 4 seasons. At the same time, exports from Argentina averaged only about 25 million bushels. This is a reversal of Argentina's traditional role as principal exporter. Reduced exports from Argentina were caused by the sharply reduced corn acreage level of postwar years, combined with low yields for the past three seasons.

Under these circumstances, United States prices in recent years may be taken as representative of the world price. The weighted average price of No. 3 yellow corn at Chicago for the season ended September 1952 was $1.83 per bushel, and the average for March 1953 was $1.56 per bushel. Freight and handling charges added to these prices would be an approach to a world price.

Export prices in Argentina vary widely depending on factors involved in the particular transaction involved. During much of 1952, the asking price was the equivalent of $2.29–$2.54 per bushel. Recent sales have been at a steadily declining price, with a recent purchase by England at nearly $1.78 per bushel. This is somewhat under the current price of $2.29 per bushel paid to Argentine corn producers.

4. Rice

Generally speaking, rice prices are governed predominantly by the rice supply and demand position of Asia, where around 95 percent of the world crop is consumed. Current prices in international trade may be gaged to a large extent by quotations in the two principal exporting countries in the Orient—Burma and Thailand—and in the United States. Until January 1952, prices in the Orient were at a lower level than in the United States. Then an extreme rice shortage in Asia's food deficit countries caused an advance in prices of oriental rice to approximately the level of United States prices. March 1953 quotations in Burma in private trade (government-to-government traded rice is exported at a lower price) ranged from $9.10 to $10.79 per 100 pounds, and United States rice, short-grain second heads, the kind desired by Asia's importers, is selling at San Francisco at from $9 to $9.50 per 100 pounds, f. o. b. mill. United States long-grain, high-quality rice, the type usually shipped to Cuba, is selling at Houston and New Orleans at from $13.50 to $16 per 100 pounds, at mill.

5. Peanuts

There is no world price of peanuts comparable to United States prices because the United States supports the price of peanuts for the edible purposes whereas the peanuts entering world trade are considered oilseeds and prices are based on the oil value.

6. Tobacco

Because of wide differences in the types and qualities grown in the various producing countries, no central world markets for tobacco have ever existed. However, despite differences in quality it is possible to make a rough comparison of the average cost to importing countries of tobacco imported from different sources. The following table indicates the delivered cost per pound of flue-cured-type leaf tobacco on an unstemmed basis to the United Kingdom in the last 2 years.

Source	1951	1952
	Cents	*Cents*
Southern Rhodesia	67.0	72.5
Canada	58.9	61.1
United States	68.4	70.1

7. Dairy products

The world price situation on dairy products is closely related to butter prices. Butter prices fall approximately into 3 categories: (*a*) Bulk contract prices between the United Kingdom and principal producing countries, (*b*) negotiated prices in soft currencies, and (*c*) negotiated prices in hard currencies. The United Kingdom contract prices for the 1952–53 season are 42 cents per pound to Denmark and 39 cents to Australia and New Zealand. At the same time, Denmark and the Netherlands were selling butter in January 1953 to soft-currency countries in quantities of a few hundred tons at 55 to 60 cents per pound. Sales in dollars or other hard currencies were moving at about 50 cents per pound. By March 1 prices had weakened to less than 50 cents per pouud.

Mr. WHITTEN. Mr. Marshall, I wonder if it should not be pointed out, however, that the table, as informative as it might be, could possibly give the wrong impression, due to the fact that many times

we have not sold our commodities, not because of the domestic price, but because the other countries did not have the dollars with which to buy.

For instance, take cotton. There was a great question as to why Mexico could sell cotton for 60 cents at a time we had price ceilings on cotton. Many countries at that time would have bought commodities in other countries at a much higher price because the country selling to them would take in exchange what they had to give.

Mr. MARSHALL. I think in the table the points covered by Mr. Whitten would be highly desirable.

EFFECT OF DIETARY HABITS ABROAD ON EXPORTATION

Mr. LAIRD. I would like to get a little information. Evidently they must have extra dairy products abroad that they are willing to ship to the United States at a price considerably lower than our going price on dairy products. I wonder what position that would leave us in with a country like India. Can we sell dry milk to India at our price?

Mr. SHORT. We think so, and it is being sold. I think it is still being sold in Mexico. We built up quite a sizable market down there. Another point is that it may become necessary for us in developing a demand for some of these products in certain areas of the world to do a little promotional work; perhaps some incentive work in that field.

Mr. LAIRD. If we go down and do that incentive work will not the Denmark dried milk take up the field?

Mr. SHORT. That might be possible. When you stop to analyze the dietary habits of many people, in the Orient, for instance, where the mass of the people live, the nutritionists tell us that the nutritive standards, while adequate in many areas, are unbalanced. They need a more balanced protein, such as they can get from dairy products. A nutritionist was talking to me the other day, and he said that if the purchasing power were available—and we are drawing more raw materials from that area of the world all the time to run our industrial plants—he feels that there is a possibility of developing greater markets.

Now, with regard to the imports that come into our country of dairy products, it is a very small percent of our total production.

Mr. LAIRD. It is getting much larger.

Mr. SHORT. It is the opinion of some of the people in the dairy-marketing field, including some of the cooperatives, that if a foreign market is established for dairy products it will strain our facilities and the facilities of other dairy exporters.

Mr. LAIRD. If you will look at the diet in Denmark, you will see that they are not using enough dairy products in their own country. You can look at New Zealand and Australia and you will find that those countries have a much greater deficiency in products of calcium content than we.

Mr. SHORT. I am not familiar with their habits. As the Secretary testified the other day, there is an immense demand for dollars. If we hold our prices pretty high it stimulates more distortion of trade in these health-giving products. They will come here in search of dollars because there is this distortion in the world trade picture as a result of the war. It will take some time. That is the reason why

we have done what we have in some of our foreign programs. We have closed the dollar gap, if you please, through one form or another.

We are making some progress, as you know, in opening up trade opportunities. As you know, Canada has now pretty well taken off all restrictions on the flow of her assets. We have had a big flow of capital into that area. I think as we make progress in that field that the incentive to hold down dietary habits in a country will be destroyed as we make progress in raising the living standards and strengthening the economies of our friends in the free world.

Mr. LAIRD. Have dairy products ever moved to a large extent in the last 10 years in foreign trade other than that which was stimulated by us through the Department of Defense or through Mutual Security, or some other program that we have had?

Mr. SHORT. Those figures have been asked for. I cannot give them to you offhand.

USE OF SECTION 32 FUNDS TO STIMULATE TRADE IN DAIRY PRODUCTS ABROAD

Mr. LAIRD. How much of section 32 funds was used prior to the change in the law to stimulate trade in dairy products in other sections of the world?

Mr. ROSSITER. A total of $145,134,000 has been used from section 32 funds; however, from 1937 to 1952, expenditures by the CCC amounted to $142 million for all dairy products. That is from 1937 to 1952, inclusive.

Mr. LAIRD. What was the total dollar value of the products which were shipped out? Do you have any idea?

Mr. ROSSITER. No, I have no idea. During the war years it was very heavy.

Mr. LAIRD. I sat in on a hearing the other day at which some importers of cheese to this country testified, and they gave terrific figures on the amount of cheese we shipped over to England and certain other countries. It was testimony showing section 104 should not be reenacted or a section comparable. It seems to me those figures are not very realistic, because, as I check back on those statements, it seems that all of them had been inspired by various governmental agencies here in this country through some sort of subsidy. I wonder if there are any figures on that.

Mr. SHORT. This, of course, is money that has been expended by the CCC, and I suppose subsidized exports here. What you are talking about there, I believe, is that you want to know how much of these dairy products have been exported since the war and paid for through grants, or other foreign programs?

Mr. LAIRD. Yes; and whether it really represents true trade.

Mr. SHORT. Whether it represents earned dollars or granted dollars?

Mr. LAIRD. Yes. That is what I am interested in finding out.

Mr. SHORT. We will try to furnish those figures for you, if we can.

(Information requested follows:)

Dairy products, CCC deliveries for export, and commercial exports, 1946–47 to 1951–52 [1]

[In millions]

	1946–47	1947–48	1948–49	1949–50	1950–51	1951–52
CCC deliveries to specific programs:						
Lend-lease	$4.7					
UNRRA	34.6	$0.1				
United States foreign relief		6.9				
Interim aid		7.0	$1.5			
Greek-Turkish aid		1.6				
ECA		.2	9.1	$5.1	$5.1	
Mutual defense assistance program					1.9	$3.2
Army	9.8	5.3	4.1	2.9		.4
Bizone (Army-financed)	.2	7.7	7.2	7.3		
Other Government agencies	2.2	(2)				
U. N. agencies		11.6	14.3	4.4	1.4	
Private relief organizations				(2)		
Total, aid and relief programs	51.5	43.3	36.2	19.8	8.4	3.6
Cash-paying foreign governments	98.1	(2)			13.3	1.0
Total, CCC deliveries	149.6	[3] 43.3	36.2	19.8	21.7	4.6
Commercial exports [4]	86.9	198.0	194.2	88.1	84.8	92.5
Total exports	236.5	241.3	230.4	107.9	106.5	97.1

[1] Includes sales at reduced prices in the period 1949–51. The value of such sales was approximately as follows:

	Millions
Butter	$0.8
Cheese	9.2
Nonfat dry-milk solids	10.9
Animal feed (dry skim milk)	1.8
Total	22.7

These reduced price sales were made to United States relief agencies, Yugoslavia, under the Yugoslavian relief program and to cash-buying foreign governments.

[2] Less than $50,000.

[3] Includes $2,900,000 shipped to Bizone (British-financed).

[4] Derived by subtracting total CCC deliveries from total exports.

Source: Foreign Agricultural Service, April 1953.

APPLICATION AND EFFECTS OF EXERCISING SECTION 104 AND SECTION 22

Mr. LAIRD. Is there any adverse effect in any way on the exercise of section 104 to other agricultural products?

Mr. SHORT. Yes. In the exercise of 104 we had retaliation taken by the Dutch, and they retaliated on wheat purchases by an equivalent amount in volume of the dairy products they were cut off from shipping here by reason of exercising 104. The difficulty with 104 is the fact that it is arbitrary. You cannot sit down and negotiate, and it is not within our international agreements. We feel that the same thing can be accomplished under section 22 sympathetically and properly administered to accomplish the purpose that the Congress intended when they passed section 22. The reason why you have section 104, in my opinion, is the fact that we did not get sympathetic and prompt action under section 22.

Mr. LAIRD. Can you get sympathetic and prompt action under section 22 if you put in some sort of provision where you can close the barn door before the horse gets out?

Mr. SHORT. As evidence of prompt action, the President of the United States a few days ago wrote a letter to the Chairman of the Tariff Commission with regard to the provisions of section 22, asking that all commodities under section 104 be analyzed by the Tariff Commission.

Mr. LAIRD. Mr. Chairman, could we place section 104 of the Defense Production Act and section 22 of the Agricultural Adjustment Act in the record at this point?

Mr. ANDERSEN. Yes. That will be done at this point, together with a very brief explanation as to the purpose in each case.

(Information requested is as follows:)

SECTION 104 OF THE DEFENSE PRODUCTION ACT, AS AMENDED BY PUBLIC LAW 429, 82D CONGRESS, APPROVED JUNE 30, 1952

SEC. 104. Import controls of fats and oils (including oil-bearing materials, fatty acids, and soap and soap powder, but excluding petroleum and petroleum products and coconuts and coconut products), peanuts, butter, cheese and other dairy products, and rice and rice products are necessary for the protection of the essential security interests and economy of the United States in the existing emergency in international relations, and imports into the United States of any such commodity or product, by types or varieties, shall be limited to such quantities as the Secretary of Agriculture find would not (a) impair or reduce the domestic production of any such commodity or product below present production levels, or below such higher levels as the Secretary of Agriculture may deem necessary in view of the domestic and international conditions, or (b) interfere with the orderly domestic storing and marketing of any such commodity or product, or (c) result in any unnecessary burden or expenditures under any Government price support program: *Provided, however,* That the Secretary of Agriculture after establishing import limitations, may permit additional imports of each type and variety of the commodities specified in this section, not to exceed 15 per centum of the import limitation with respect to each type and variety which he may deem necessary, taking into consideration the broad effects upon international relationships and trade. The President shall exercise the authority and powers conferred by this section.

The purpose of Section 104 of the Defense Production Act of 1950, as amended, is to prevent imports from (a) impairing or reducing domestic production, of a commodity or (b) interfering with orderly storing, and marketing of such a commodity, or (c) resulting in any unnecessary burden or expenditures under any Government price support program.

SECTION 22 OF THE AGRICULTURAL ADJUSTMENT ACT (OF 1933), AS REENACTED AND AMENDED—IMPORTS [1]

SEC. 22. (a) Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall so advise the President, and, if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after

[1] Sec. 22 was added to the Agricultural Adjustment Act of 1933 by Public Law 320, 74th Cong., approved Aug. 24, 1935 (49 Stat. 773). As originally enacted, this section authorized the President to restrict the importations of any agricultural commodity or product whenever he found, after investigation by the Tariff Commission and on the basis of its findings and recommendations made pursuant thereto, that such importations were adversely affecting programs or operations under the Agricultural Adjustment Act of 1933. Sec. 22 has been amended several times and the President is now authorized to impose quantitative restrictions (quotas) and fees on any agricultural commodity or product whenever he finds, pursuant to appropriate proceedings by the Tariff Commission, that imports of such commodity or product adversely affect or seriously threaten any program or operation undertaken by the Department of Agriculture. The Secretary of Agriculture has the responsibility of advising the President regarding the need for action under sec. 22. In addition, the Secretary of Agriculture is charged with the responsibility of determining the need for emergency action under sec. 22 with respect to perishable agricultural commodities.

due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify (7 U. S. C. 624 (a)).

(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 per centum ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a) of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 per centum of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: *And provided further*, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine (7 U. S. C. 624 (b)).

(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States (7 U. S. C. 624 (c)).

(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section (7 U. S. C. 624 (d)).

(e) Any decision of the President as to facts under this section shall be final (7 U. S. C. 624 (e)).

(f) No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section (7 U. S. C. 624 (f)).

The purpose of section 22 of the Agricultural Adjustment Act, as amended, is to prevent imports from materially interfering with the Department's price support and related programs.

The President is authorized to impose quantitative restrictions (quotas) and fees on any agricultural commodity or product whenever he finds, pursuant to appropriate proceedings by the Tariff Commission, that imports of such commodity or product adversely affect or seriously threaten any program or operation undertaken by the Department of Agriculture. The Secretary of Agriculture has the responsibility of advising the President regarding the need for action under section 22. In addition, the Secretary of Agriculture is charged with the responsibility of determining the need for emergency action under section 22 with respect to perishable agricultural commodities.

Mr. SHORT. The President wrote the letter and the Tariff Commission announced several days ago they are having hearings for all dairy products on May 4, and on all other products under section 104 on May 7. The President in his letter asked if possible to have the results of those hearings and the decision made not later than June 1, in order that action could be taken. The assumption is if it is to be done by that time we would have plenty of time to take appropriate action regarding these commodities before the discontinuance of 104.

That sort of thing, it seems to me, is what Congress intended in passing section 22; that in a price-support program, if the price exceeds the world price, then you are going to have a tendency for commodities to flow in that might even destroy the effectiveness of the agricultural program, and the program would tend to become a world price sustained program. Under section 22 we can handle the matter in accordance with our international agreements, and while the action taken may not be any more pleasing to our foreign friends, you do it in a manner whereby you can negotiate with them. They know what is coming. They have an opportunity to be heard, and we think it is a much more desirable method of doing the job.

Mr. LAIRD. Could you have an amendment to section 22 that would provide that the Secretary could issue orders under that section prior to the hearing?

Mr. SHORT. You mean emergency power to the Secretary for taking iterim action pending the results of the investigation by the Tariff Commission?

Mr. LAIRD. Yes.

Mr. SHORT. Of course, you are familiar with the fact that in the Reciprocal Trade Extension Act of 1951, section 22 was amended by section 8 (a), which provided for perishable commodities. It gave the President an opportunity to take action after 25 days if the Tariff Commission had not made its findings in 25 days. He could take interim action. That was on all perishable commodities.

Mr. HUNTER. That has never been used.

Mr. SHORT. That has never been used. Actually, section 22 has not been used too much, and that is one of the reasons why you have section 104.

Mr. HUNTER. I think we are all agreed that we cannot have support price programs without some sort of control over imports.

Mr. ANDERSEN. I think that is absolutely essential. We cannot hope to support the price of all agricultural products everywhere.

Mr. WHITTEN. How would it work if we had a measure whereby we should say that the tariff on any agricultural product coming into this country would be such as would make that product come in at the same price level as the domestic support price, at least that? In other words, a flexible tariff. Whatever the support price on a given commodity was here, the tariff should be such as to increase the purchase price of the incoming product to the support level in this country. In effect, it might keep those things out. On the other hand, there is much less reason on the part of a foreign country to complain about us not letting somebody undersell us in our own markets. I do not see how there could be any reasonable complaint as to that. Congressman Forrester, of Georgia, first raised that approach with me.

Mr. SHORT. I have never given too much study to what the possibilities are under flexible tariff—the advantages or the disadvantages. I think in anything pertaining to this field we would have to really carefully analyze it. I am not in a position to make a firm comment on it.

MECHANICS OF TRADE PROMOTION

Mr. ANDERSEN. Now, Mr. Short, as to the actual mechanics of trade promotion, I understand that you have with you Dr. Walker, who is very well acquainted with foreign trade, especially the TCA. I wish you would discuss, Dr. Walker, just how you intend to go about increasing trade and promoting the importation into other countries of our products.

Mr. WALKER. Mr. Chairman, my phase of the work in the foreign agricultural service has to do entirely with the technical cooperation program.

Mr. ANDERSEN. Then, Mr. Short, you will answer that as far as the actual mechanics are concerned and how you intend to promote trade abroad.

Mr. SHORT. Mr. Chairman, the question of promoting our agricultural exports is a big task and there is no single solution to the problem. As I mentioned, we plan to put more commodity marketing men abroad, in an effort to open up, or to endeavor to keep open, our export markets. These men will inform foreign buyers about the special advantages of our improved commodities. They will endeavor to convince foreign officials of the need for making dollars available for United States products. The cotton representative, for example, may have with him our grades and types of cotton; the tobacco man may explain the technique of using United States flue-cured tobacco to blend with foreign tobacco types for making an improved cigarette.

We shall also explore the possibility of our using more of our agricultural surpluses abroad, where United States agencies are now spending dollars. As the chairman mentioned, we shall see what can be done by having the defense agencies look into how they may utilize some of our surpluses abroad in their programs.

Furthermore, it is possible, in the technical assistance work, where United States dollars are spent in the underdeveloped countries, that some of our agricultural commodities can be utilized to improve the diet and at the same time build up counterpart funds for use within the country for local expenditures.

We plan to give careful study as to the total export requirements for our agricultural commodities. We wish to analyze the foreign production and consumption trends for all of the important commodities which we export, in order to advise our agricultural leaders as to the potential foreign demand.

We hope to give guidance to our agricultural leaders, in order that we may plan our domestic production to meet the export requirements.

We shall endeavor to leave no stone unturned in finding export markets for our agricultural commodities. At the same time, we realize that foreign countries must have an opportunity to earn dollars if they are going to buy our commodities without foreign aid.

I assure you that we will be glad to receive any suggestions that you men may have in tackling this problem.

FUNCTIONS FINANCED BY TRANSFER OF FUNDS FROM TCA AND MSA

Mr. ANDERSEN. Mr. Walker, perhaps you can tell us something about these transfers and the other allocations from TCA and MSA.

Mr. WALKER. The foreign agricultural service plays an important role in the technical cooperation program—point 4. One of the major divisions of our service is organized to carry on this responsibility.

This work is financed primarily by the transfer of funds from the Technical Cooperation Administration (TCA), and the Mutual Security Agency (MSA). Based on policy established by Congress, and by Executive order of the President, TCA has requested the support and cooperation of the technical agencies of Government in the point 4 program. The USDA, as of April 1, 1953, has been authorized to employ 504 technical agriculturists, both men and women, for service in foreign countries. Agronomists, horticulturists, animal husbandmen, agricultural economists, veterinarians, home economists, entomologists, extension specialists, and technicians with other kinds of specialized training are employed for this work. The best trained people we can find are employed and sent to foreign countries to work on the technical cooperation team, which may be made up of comparable technicians from the Public Health Service, the United States Office of Education, the Department of Interior, or other Government agencies. All serve under the leadership of the country director for technical cooperation employed by TCA.

The country director is the leader and coordinator of the program in the field or the foreign country. As a team they work with officials of the host government and attempt to give them guidance and training in improved production methods, sanitation, health, rural education, and so forth. The agriculture people place their emphasis on training agricultural officials in methods and procedures for increasing food production, marketing, agricultural credit, cooperation, and how to improve standards of living. It is our purpose to share with the underdeveloped countries of the world the things that have helped increase production efficiency on the farms of America. Aside from the humanitarian aspects of this program we are convinced that if we can help these people to raise their standard of living, and increase their purchasing power, they will be more able to carry on trade with us. New markets will be opened up and a greater flow of trade in agricultural commodities will be stimulated.

Another aspect of this technical cooperation program is what we have come to refer to as "technical backstopping." When we send technicians to foreign countries they find themselves in situations entirely different than they have previously experienced. In a sense they are alone. They do not have others of similar technical training to consult with or rely upon. Nor do they have libraries or experiment stations or agricultural colleges to which they can go for specialized or technical information. It is very important, therefore, that they have a strong and direct connection with the Department of Agriculture for backing. The various bureaus and agencies of the Department are continuously being consulted on problems with which men in the field are confronted. Technical men here in Washington review problems presented by men in the field and then send back suggestions, recommendations, information summaries, et cetera.

Thousands of samples of improved varieties of seed have been supplied for testing in the field. Bulletins, circulars, books, and magazines are sent to the technicians for their use. It is important that we provide this technical backstopping service in Washington for the men in the field.

Another phase of the technical backstopping consists of the sending of a specialist, such as a hybrid-corn-breeding specialist, or a forest-management specialist, or a soil and fertilizer specialist, to one or more countries for a short time to help the technical men on the job. These men have been found to be invaluable to the success of the program. They aid greatly in pointing up the program in the direction it should go and often save a great deal in the efficient use of personnel and funds. These men are drawn from the various bureaus of the Department or from land-grant colleges on a reimbursable basis. A few technicians are employed full time as field-service consultants.

Another major segment of the technical cooperation program which we are conducting is the training of foreign visitors. These visitors are financed by MSA, TCA, and a few other agencies and funds. Last year over 3,600 visitors from 65 countries came to this office of the Department of Agriculture to learn how our agricultural programs function in specialized fields. As an example 23 agricultural extension leaders from India came to the United States last fall under a grant from the Ford Foundation. Our own staff, with the help of the Extension Service and other bureaus, conducted a training program in the United States for these men for 8 weeks. Several land-grant colleges cooperated generously in this undertaking. Similarly, a group of 32 technicians from Pakistan was here for 6 months; they studied extension methods with particular attention paid to their special fields such as agronomy, home economics, animal husbandry, forestry information, and so forth. These visitors spent about 10 days conferring with members of the Washington staff, becoming oriented and acquiring an understanding of the principles of extension work in the United States and of the methods of carrying these principles into operation. From here they went to State institutions to study the organization and operation of the State and county extension services. Four of the visitors have been enrolled in the University of Missouri for a year so that they might acquire training that will prepare them to develop a functioning extension service in Pakistan.

Our people are now planning for visits to the United States by the Minister of Agriculture from Brazil and the Director General of the Department of Agriculture from Lebanon. We are anxious for these men to become acquainted with our agricultural institutions, not only the Department, but also the land-grant colleges, the experiment stations and extension services. We also want them to have some experience on a few typical farms—where they can see how our farm people live, how they participate in community activities, in their farm organizations, how they market their products, and the many little things which add up to the American way of life. We think this will be effective in sowing the seeds of democracy. Our farm people can sometimes be more effective in this kind of technical cooperation than our diplomats. It comes from the common people.

We are greatly enthused over this program of technical cooperation, but we are anxious that it be kept on a modest basis, where it can function with and help the people that need it most. We would like to stay away from the large-scale spending programs, but keep it rather on the basis of working with technicians of foreign governments for the sharing of technical information, and the training for more effective service in increasing the food production and increasing the standard of living for the people in the underdeveloped countries.

In organizing for the administration of the technical-cooperation program we think it is important and essential to have a central administrative unit such as MSA or TCA to assume the leadership in developing programs with foreign countries and also in coordinating the technical programs of the various agencies of the Government that may be asked to assist in the work. We think it is equally important, however, that the Department of Agriculture should have the responsibility of participating in planning and also conducting any program of technical cooperation in agriculture in foreign countries. It is of paramount importance that the Department of Agriculture, which has responsibility for formulating policy and conducting domestic agricultural programs should be in a position where it can effectively coordinate the efforts of the technical-assistance programs to the foreign agricultural policy and programs so they can be planned to complement domestic agricultural policy and programs.

Foreign and domestic programs in agriculture must be tied in together as effectively as we know how.

TRANSFER OF FUNDS FROM MSA AND TCA

Mr. ANDERSEN. Could you give me an idea as to how much has been transferred from MSA and TCA?

Mr. WALKER. For the fiscal year 1952, for which I have figures available, the obligations were somewhat as follows:

There are two branches of the activity, the training program and the economic and technical assistance program.

Now, in the training program, including the domestic cost and also the cost of men in the field, the total was $2,951,121.

Mr. ANDERSEN. That was transferred from the Department of State to you?

Mr. WALKER. That is right. Part of it from MSA and part of it from TCA.

Now, I am coming to another part here. The figures will add up to the total.

On the economical and technical assistance activity, including domestic and field technicians, $2,883,437, or a total of $5,834,558.

Mr. ANDERSEN. That was for the fiscal year 1952?

Mr. WALKER. That is right.

Mr. ANDERSEN. Do you anticipate about the same amount for the fiscal year 1953?

Mr. WALKER. It will probably be a little bit higher for 1953. As of March 31 we have been authorized to employ people to the extent that it would make a total of $8,367,734.

Mind you, those are authorizations and not obligations, and it is entirely possible we may not be able to fulfill all the requests made of us by that date.

Mr. HUNTER. I would like to ask Mr. Walker a couple of questions. You are new in this agency, are you not?

Mr. WALKER. Yes. I have served for just 1 year.

Mr. HUNTER. You are from what college?

Mr. WALKER. I happen to be on leave of absence from Utah State College, where my official position is dean of the school of agriculture and director of the agricultural experiment station.

Mr. HUNTER. I want to congratulate you upon your spirit of public service in leaving the college and coming here to do what at best is a very difficult and sometimes a very thankless job.

Mr. WALKER. It has been a real challenge to me this year, and I think I would not have done it other than for the deep interest I have in promoting this foreign assistance program.

Mr. HUNTER. It is probably one of the most important programs we are carrying on abroad in terms of winning friends and bringing about international good will and understanding.

Mr. WALKER. That is right.

I feel that many of our agricultural technicians, working with the people out in the grass roots of some of these undeveloped countries, will make a real contribution in our relationships with foreign governments. They might be able to do more than some of the diplomatic people on the higher levels.

Mr. ANDERSEN. Is there any danger in the foreseeable future that, through our own efforts in imparting information to other governments and other peoples on all these advances in agriculture, we will create a condition that perhaps we will damage our own financial structure here in America due to foreign competition? Do you see any danger there?

Mr. WALKER. No. I am not worried too much about that particular aspect of it, provided we can have some responsibility in tying in our foreign activity programs with our domestic agricultural policy.

Mr. ANDERSEN. I presume that you would feel, just as I, that if there is any such danger it would be more than offset by the fact that the population in this world of ours increases vastly each year. Consequently, we must do whatever we can to increase the supply of food anywhere.

Mr. WALKER. That is right. Most of the progress that will be made in these underdeveloped countries will be absorbed in the feeding of the people, giving them better health and sanitation conditions, and a little bit better standard of living.

Mr. ANDERSEN. Do you feel that this is perhaps the most beneficial of any part of our foreign program.

Mr. WALKER. Yes. I feel we can accomplish more with less money by putting our emphasis upon the technical assistance program where we are sharing the technical knowledge that we have.

Mr. ANDERSEN. I gather, then, that you feel that in the long run we will probably gain far more friends throughout the world by this kind of endeavor than by pumping money into those particular countries as outright grants for specific purposes?

Mr. WALKER. Decidedly so. I think the same thing applies to the foreign countries as we have seen here in the United States.

FOREIGN ASSIGNMENT SITUATION

Mr. ANDERSEN. Just how carefully are we in scrutinizing the people that we send abroad from the viewpoint of what good they will do in the line of public relations over there in behalf of our own Nation?

Mr. WALKER. I can say that within our own organization in the Department of Agriculture we have men who are experienced in this field, all of whom have served on foreign assignments; have learned

from firsthand experience the kind of people who are needed in this work, and the kind of people that are needed to get along with foreign peoples. These men are at work continuously screening these candidates. We get information from many sources. We also get information about their families, their wives. All personnel employed on technical assistance both for service in Washington and foreign countries are also cleared for security by the Civil Service Commission or the Federal Bureau of Investigation.

Mr. ANDERSEN. The people whom you send abroad must really have a liking for their work or they are no good to us; is that not right?

Mr. WALKER. That is entirely true.

Mr. ANDERSEN. I might say that I took a trip along with Mr. Jensen of Iowa and Mr. McGrath of New York, to the southwest Pacific islands, which are now held under trust by the United States from the United Nations. That was a year ago last December, and I was agreeably surprised to find an almost fanatical interest by some of the civil-service employees of our Nation who were sent there to do a certain job.

Mr. SHORT. That is right.

Mr. WALKER. It gets into their system, and when they go for 2 years we find they want to stay longer to finish the job.

SPLITS IN AUTHORITY BETWEEN STATE AND AGRICULTURE DEPARTMENTS

Mr. HUNTER. Mr. Walker, in addition to the people abroad who are directly responsible to you, there are other so-called agricultural experts working for the Technical Cooperation Administration, for MSA, and also the State Department proper; is that not so?

Mr. WALKER. Yes, that is right.

Mr. ANDERSON. Mr. Walker, I presume that the division of authority between the State Department and the Department of Agriculture in the foreign field makes for considerable duplication?

Mr. WALKER. Yes, to a certain extent.

Mr. ANDERSEN. And I also might add the MSA to that.

Mr. WALKER. That is true.

Mr. HUNTER. I will give you an example of the situation that came to my attention only yesterday. A young man from my district with whom I had lunch told me that he was an agricultural expert working for the TCA. I inquired into his background and found out that he received his schooling at the University of Chicago and the University of California at Los Angeles. I asked him if he had ever been in to see you and he said "No." He did not even recognize your name. He apparently had never heard of the Foreign Agricultural Service. He has been sitting for 6 months over in the Office of Inter-American Affairs, in the Pan American Union Building, or some such place. He was first to go to Chile and now, I understand, he is going down to Panama to save the Panamanians. Now, I think that this man could do a far better job if he were to get a little training and briefing in the Department of Agriculture inasmuch as he is supposed to go down there and increase food production.

Mr. ANDERSEN. Would it not help if we could have under the one department in our Government the handling of all personnel abroad having to do with agricultural relations?

Mr. WALKER. It is our opinion that the Department of Agriculture, that has been responsible in cooperation with the land-grant colleges

here in the United States in developing agriculture as we have it here in America, is probably better qualified to aid in developing the agriculture of these foreign countries than any other agency of the Government.

Mr. ANDERSEN. There is no question about it.

Let me say for the record that early this spring I requested Mr. Taber to turn over to this subcommittee the hearings relative to anything having to do with agriculture in connection with Mutual Security, point 4, and so forth. I think there is no question but what it would mean the saving of millions of dollars eventually. And beyond that, it would result in a better job abroad.

Mr. WALKER. That would increase the efficiency of the program, and I am sure do away with a lot of the confusion and duplication that exists.

Mr. SHORT. May I make a statement? These people not only have the knowledge, but the technique of getting the cooperation of the people that they are intended to work with, and that is just as important in many instances as the knowledge.

Mr. ANDERSEN. Mr. Short, I believe that every man has his field. We can all do some things better than the others. I think if a man is going to be successful he has to admit that, and I believe that the same thing applies to our Government. These actions should be placed where the best job can be done regardless of whose toes might be stepped on.

NEED FOR ADDITIONAL POSITIONS

Now, Mr. Short, you are asking for an increase of $59,876. I would like a statement as to the additional positions involved and what they will do.

(Information requested is as follows:)

It is recommended that the increase of $59,876 provided in the revised budget be used for the following two lines of work:

I. Work with agricultural attachés, $24,000

Need for increase.—To firmly establish closer working relations in the Department with the agricultural attachés, it is proposed to set up a small unit to service the agricultural attachés, to coordinate the agricultural reporting schedules and to recruit and recommend appointment and assignment of agricultural attachés and officers.

Plan of work.—To select, train, and assign agricultural attachés; coordinate the Department's administrative responsibilities in connection with international conferences on agriculture; coordinate the agricultural reporting services for the Department of Agriculture and other United States Government agencies; perform periodic inspection surveys in foreign areas designed to improve the United States agricultural representation abroad; to formulate policy and plan programs related to foreign agriculture; to participate in the program of agricultural cooperation with foreign Governments.

Financial analysis.—Distribution of the increase is estimated as follows:

	Proposed increase for 1954
Personal services:	
Permanent positions: 1 assistant director, 1 administrative assistant, 1 secretary, and 1 clerk-stenographer; 4 man-years	$22,445
Supplies and materials	1,555
Total	24,000

These employees will be in addition to two people in the office who are already assigned to this work.

II. Trade policy, $35,876

Need for increase.—Much greater attention must be given to our trade policies involving agricultural imports and exports. Should the United States continue to have rigid import controls such as section 104 of the Defense Production Act, or should section 22 of the Agricultural Adjustment Act be used to protect our market for the American farmer? Should this Government encourage barter of our agricultural surpluses? The Secretary and farm leaders must be advised on how these and similar trade problems must be resolved for the benefit of American agriculture.

Plan of work.—To study, analyze and make recommendations concerning our foreign agricultural trade policies; advise Congress and agricultural leaders on types of foreign trade policies of interest to the American farmer; to study trade policies of other countries and recommend action by this Government in relation to imports and exports.

Financial analysis.—Distribution of the increase is estimated as follows:

		Proposed increase for 1954
Personal services:		
Permanent positions: 1 trade adviser to the director and chief of division, 1 assistant chief, 1 economic analyst, 1 statistical assistant, and 1 secretary	5 man-years	$31,835
Travel		3,000
Supplies and materials		1,041
Total		35,876

INFORMATION DIVISION

Mr. ANDERSEN. I wish that you would describe the duties of the 21 people in your Information Division in the record.

(Information requested follows:)

INFORMATION DIVISION PERSONNEL

The 21 positions shown for the Information Division of Foreign Agricultural Service in the supplementary detail of personal services data, were estimated for the fiscal year 1954 for funds covered by the department budget; i. e. salaries and expenses and RMA. The following 18 positions are now occupied:

Head of Division, GS–14, $9,600. Responsible for administration of the Division. Advises the Office on policies and programs pertaining to public information. Controls Office's publication funds. Gives overall leadership to Office's technical assistance work abroad as it pertains to helping foreign countries develop services to bring agricultural information to their farmers. Adviser to United States-FAO Interagency Committee Secretariat.

Head of Economic Geography and Graphics Section, GS–13, $9,360. In charge of Division's staff and activities involving presentation in chart and map form of world developments in agricultural commodities, trade, and situations, especially as they relate to competition with and demand for United States agricultural products.

Head of International Organizations Section, GS–13, $8,960. This is a quasi-informational position, placed in the Information Division for the convenience of the Office. Serves principally as Secretary to the United States-FAO Interagency Committee, providing sustaining services to that committee which, in turn, is responsible for United States participation in the FAO. Functions principally in an internal administrative capacity; performs some public information work as it relates to United States participation in FAO.

Head of Current Information Section, GS–12, $7,240. In charge of Division's output of current information, especially as it relates to reporting to the public on world developments involving agricultural commodities, trade, and situations. Editor of weekly publication, Foreign Crops and Markets. Serves as liaison between Office and Department's Office of Information on current information matters.

Acting head of Publications Section, GS–11, $6,340. In charge of Division's printed publication activity, including editing and liaison with Department's printing services. Editor of monthly Foreign Agriculture magazine.

Information specialist, GS–11, $6,140. Reviews and edits manuscripts for full content and statistical accuracy, consulting with original authors in order to

more effectively present information, and directs the work of lower grade employees engaged in typing, assembling and preparing technical material for publication. Special responsibility for coordinating and editing of reports developed out of classified intelligence work.

Marketing research editor, GS–9, $5,185. Edits and puts into final form for publication the various reports prepared for the Office by its commodity and marketing specialists serving abroad on special marketing investigation work.

Geographer, GS–9, $5,185. Analyzes world geographic and agricultural situations, especilly as they relate to United States trade in agricultural commodities, and presents such situations in graphic form, especially through use of maps and charts.

Translator, GS–7, $4,705. Has facility in all commonly used western foreign languages. Translates incoming correspondence into English for the Office, and frequently provides similar service for other agencies in the Department and Secretary's Office. Often called upon to translate various background pieces coming from foreign countries, to make them available for general Office use.

Information clerk, GS–7, $4,330. In "backstopping" position to the American agricultural attachés serving abroad. Finds the technical information or publications that they continuously request by letter and dispatches it to them; compiles and sends to them a weekly packet of informational materials to keep them informed of United States agricultural developments.

Geographer, GS–7, $4,705. Assists in preparation of maps, charts, and similar graphic devices issued by the Office in reporting to the public on world agricultural commodity, trade, and situation developments.

Geographer, GS–7, $4,705. Same as above.

Acting administrative assistant, GS–6, $4,545. Assists the Division head in administration of the Division, especially in matters involving budget and personnel. Maintains control over Office's publication budget; delegates incoming correspondence and other requests for information to proper channels.

Cartographer, GS–6, $4,295. Under supervision, presents in graphic form, especially maps and charts, various complex data involving foreign agricultural situations. Much of this is of a classified nature, having to do with the Office's foreign agricultural investigations carried on at the request of and with funds provided by other agencies.

Secretary, GS–5, $3,410. Secretary to head of International Organizations Section. Prepares correspondence, answers telephone calls, and in charge of distributing the allocations of FAO publications received from time to time by the United States Government.

Editorial assistant, GS–5, $4,035. Assists the Publications Division in preparing manuscripts for publication; performs layout of text and illustrations; proofreads materials at printing stage.

Clerk, GS–4, $3,655. In charge of distribution of Office's published materials. Maintains mailing lists, assists visitors in obtaining requested publications, handles inquiries coming in by telephone and correspondence.

Clerk-stenographer, GS–3, $3,430. Performs clerical and stenographic services for Publications Section, especially relating to preparation of manuscripts for printing.

DIVISION OF ADMINISTRATION

Mr. ANDERSEN. I wish that you would discuss in the record the work of the people in the Division of Administration.

(Information requested is as follows:)

FUNCTIONS OF EMPLOYEES OF THE DIVISION OF ADMINISTRATION

(*a*) Office of the Head: Plans, directs, and coordinates the administrative management programs of the Office, both departmental and field; upon request, advises other agencies on administrative problems concerning foreign areas; represents the Office on administrative matters with the Bureau of the Budget, Civil Service Commission, General Accounting Office, Congress, and other governmental agencies.

(*b*) Budgetary and Fiscal Management Section: Plans, develops, and carries out a program of budgetary and fiscal management; prepares budget estimates and justifications for presentation to the Departments of Agriculture and State, Bureau of the Budget, and Congress; establishes and maintains budgetary and fiscal controls necessary for the evaluation of obligations and expenditures of direct appropriations, and other funds allocated to the office; prepares payrolls, both foreign and domestic; and audits vouchers and related documents for the Office; coordinates

departmental budgets for working funds and allocations; maintains budgetary and fiscal records including leave and retirement.

(c) Personnel Management Section: Plans, develops, and carries out a centralized personnel management program, coordinating it with current and anticipated programs and operations of the Office; administers a continuous employment program designed to facilitate and provide for recruitment, selection, placement, appointment, transfer, reinstatement, promotion, and related activities for employees in Washington and at foreign posts, including facilitating assignments to foreign governments; conducts investigations and evaluations of the organizational structure of the Office; investigates and allocates positions for the Washington Office and for foreign posts in accordance with Civil Service and Department classification standards; prepares position and functional organization charts; plans, develops, and administers programs relating to retirement, leave, compensation, awards, training and welfare matters; provides for servicing loyalty and suitability investigations required under the Mutual Security Act. Maintains personnel records and prepares special reports on personnel activities.

(d) Administrative Services Section: Plans and develops the administrative service activities of the office in conformity with departmental and interdepartmental policies relating specifically to requirements for space, equipment, supplies, utility services, foreign travel, records, communications, reports and cables; provides administrative guidance on these matters to personnel at foreign posts; purchases equipment and supplies for the Washington office; contracts for and carries out the procedures for the shipment of household goods and personal effects of employees assigned to foreign posts of duty; plans and provides for the efficient and economical utilization of space and property; receives, distributes, and files reports, cables, and dispatches regarding agriculture, transmitted by officers of the United States Government in foreign areas; provides for the establishment and maintenance of a centralized system of records management and for the development and maintenance of a comprehensive system for the receipt, control, release, and distribution of official correspondence of the office; provides for the preparation of the necessary documents and communications relative to the travel abroad of departmental personnel; including the transfer to foreign duty posts of employees and their families employed under Mutual Security Act funds; advises personnel traveling abroad on procedures preparatory to embarkation and on conditions to be expected at destination; prepares itineraries and secures tickets and accommodations for foreign trainees in this country under the Mutual Security Act.

FILMS AND MOTION PICTURES

Mr. ANDERSEN. I wish that you would place in the record an answer as to the use of films and motion pictures in your organization.

(The information requested is as follows:)

USE OF MOTION PICTURES

Foreign Agricultural Service makes only minor use of motion pictures. Almost without exception, the commodity, trade, and similar information released by the office is put out in publication form. This is done so as to make it readily available to farm magazines, trade publications, etc., which widely reprint the current releases that we issue. The office made 1 motion picture 2 years ago, showing how we are helping Cuba develop a kenaf fiber industry as part of our technical-assistance work. Actual production of the movie was handled by the Department's Motion Picture Service. Also, on an advisory basis, we assist foreign governments from time to time in their production of educational movies on agricultural subjects. This also is part of the technical-assistance program. In general, however, the nature of our work is such that motion pictures are only a minor informational medium.

ECONOMISTS

Mr. ANDERSEN. Also, I understand that you have 29 economists in this organization. We will want them listed by name with a statement as to what they do.

(The information requested is as follows:)

The names and duties of the 29 economists reflected in the budget for the Foreign Agricultural Service are as follows:

INTERNATIONAL COMMODITIES BRANCH

GS–15. Joseph A. Becker, Chief, International Commodities Branch

As Chief of the International Commodities Branch, Mr. Becker is responsible for the overall direction of its activities, including the development of program and supervising the activities of the division heads. In addition to the agricultural economists, whose names follow and who serve under his leadership, Mr. Becker is responsible for the marketing specialists and commodity specialists whose activities are financed by allocations of AMA funds.

GS–14. R. L. Gastineau, Grain; Gustave Burmeister, Fruits, Vegetables, and Sugar; Floyd E. Davis, Livestock and Wool; George Thomas, Jr., Tobacco and Tropical Products; Paul E. Quintus, Fats and Oils; A. W. Palmer, Cotton

These agricultural economists are heads of the divisions which have been set down opposite their names. These men direct the activities of their divisions and are mainly responsible for compiling and analyzing information received from all parts of the world on production, trade, stocks, prices, and consumption in their respective commodities. In addition they participate in the preparation of situation and outlook reports and in the goals committees for their respective commodities. They make contacts with their respective industries on problems relating to foreign trade in these commodities. They confer with representatives of other countries on problems of their commodities.

GS–13. John L. Wann

Mr. Wann is assistant head of the Grain Division, supporting the work of Mr. Gastineau. One of the activities to which both of these men devote a considerable amount of time was the policy matters having to do with the operations of the International Wheat Agreement.

GS–12. Leo J. Schaben, Olav Anderson

Mr. Schaben is a member of the Grain Division and is concerned with the compilation and analysis of information concerned with grain and grain products.

Mr. Anderson is in the Fats and Oils Division and is concerned with international trade in fats and oils.

GS–11. Eugene T. Ransom

Mr. Ransom is a commodity specialist in the Livestock and Wool Division. He is concerned with the compilation and analysis of information on wool.

GS–9. Claude E. Dobbins, Tobacco and Tropical Products Division; Helen Francis, Fats and Oils Division; Judith E. Downey, Grain Division

These agricultural economists are commodity analysts in the divisions which follow their names. They supervise compilation of statistical data about foreign production and trade, analyze its significance and select and digest items concerning these commodities which appear in the weekly publication of the office.

REGIONAL INVESTIGATIONS BRANCH

GS–15. Robert B. Schwenger, Chief of the Regional Investigations Branch

Supervises the research and policy work in United States trade relations, represents agriculture on Trade Agreements Committee and at international meetings on trade and tariff negotiations; heads the departmental Committee on Agricultural Trade Policies and prepares testimony for the Director and the Secretary on hearings relating to international trade.

GS–14. Clarence M. Purves, Assistant Chief of the Regional Investigations Branch

Directs the personnel and budgetary operations of the Branch and directs economic research, particularly that done under contract for outside agencies. Represents the office in planning and directing economic intelligence work in combination with other Government agencies. Supervises problems relating to the world food situation, including preparation of annual world summary; Assistant Chairman to the Committee on World Crop and Livestock statistical summaries.

GS–14. Lazar Volin

Regional specialist in charge of all current and research activities relating to the U. S. S. R. and European satellites, including preparation of current estimates of crop production and livestock numbers and the analysis of production and trade reports for that area.

GS–14. Montell E. Ogdon, head of the British Commonwealth Division

Directs research and current operations relating to agricultural production, trade, consumption, and trade policies in British Commonwealth countries. Often represents the United States in international conferences with member countries of this region.

GS–14. Oscar Zaglits, head of the Foreign Agricultural Trade and Policies Division

Directs the research and current activities of the Division, is alternate on many of the committees of foreign trade and policies with the Chief of the Branch; assists the Chief in preparation of material for international trade meetings and committee hearings.

GS–13. Lois Bacon, assistant to the head of the Division

Specializes in the analysis of trade and agricultural products between Eastern and Western European countries with particular reference to the competition for United States agricultural products from the satellite area. Also supervises and assists in the preparation of agricultural intelligence studies on Western European countries for outside agencies.

GS–12. Louise Butt

International trade economist specializing in agricultural tariffs, trade agreement and trade policy programs; analyzes the impact of the Department's existing or proposed trade agreement programs on United States agricultural trade, and policy implications of measures for protection of American producers groups. Also prepares information relevant to trade agreement matters for the Secretary, Office of the Director, and other agencies.

GS–12. Karen Friedmann

Assists the head of the Western European-North African Division in the analysis of production, trade, and consumption data for Sweden, Norway, Denmark, Netherlands, Belgium, and conducts special studies on the agricultural programs and foreign-trade policies of these and several other Western Eruopean countries.

GS–12. George L. Robbins

Analyzes general problems arising in connection with preparation for and conduct of international commodity discussions and negotiations, analyzes trends in world market prices of agricultural commodities in relation to national and foreign price support programs to determine the effect of such programs upon United States agricultural exports and the competition of commodities from other countries with United States agricultural exports in foreign markets.

GS–11 Stanley Mehr

Assists in the analysis of production, trade, and consumption data and trade policy programs of France, Germany, Switzerland, and Austria; also is assisting in preparing a special study on the competition with and demand for United States dairy products in Western European countries.

GS–11 Doris Rafter

Analyzes the impact on United States agricultural trade of the monetary and financial position of the United States and foreign governments with particular references to the operations of the National Advisory Council, the Export Bank, International Bank for Reconstruction and Development, and the International Monetary Fund. Also analyzes economic programs relating to agriculture of the United Nations Economic and Social Council, Food and Agricultural Organization, and other United Nations agencies.

GS–9 Alexander Angelidis

Analyzes the monthly and annual United States statistics on foreign agricultural trade and prepares periodic and special reports on trends in United States agricultural trade.

GS–9 Earl Fox

Analyzes production, consumption and trade data and foreign agricultural policy of India, Pakistan, Burma, Thailand, and French Indonesia; conducts special studies on the food situation, land reform problems and related data for use in conducting the point 4 program and other problems of the Office.

GS–9 Constance Farnworth

Analyzes production, consumption and trade data and foreign agricultural policy of Argentina, Uruguay, Chile, Paraguay, and Brazil; conducts special studies on agricultural programs, land reform and related data, also other problems of the Office.

GS–9 Lucille Corder

Assists in the preparation of information relative to trade agreement matters, does service work for the Department committee on trade agreements, the interdepartmental trade agreements committee and for international meetings and conferences on trade matters.

Statutory Authority

Mr. Andersen. Finally, we need in the record a statement of your basic legal authority and whether it is mandatory or permissive.

(Information requested is as follows:)

The Division of Foreign Agricultural Service of the Bureau of Agricultura Economics operated under the act of June 5, 1930 (Public Law 304, 71st Cong.). On June 30, 1939, the personnel and functions of the Division of Foreign Agricultural Service not transferred to the Department of State, under the terms of Reorganization Plan No. II, were transferred to the newly established Office of Foreign Agricultural Relations. The Foreign Service Act of 1946 (Public Law 724, 79th Cong.), approved August 13, 1946, repealed the act of June 5, 1930 (Public Law 304, 71st Cong.). Since that date, the Office has operated under the general authority of the Secretary of Agriculture (5 U. S. C. 511) covering all agricultural work which is mandatory, as well as the specific authority granted the Secretary to operate as shown in the annual appropriation acts for the Department of Agriculture, which authorize the Secretary "to coordinate and integrate activities of the Department in connection with foreign agricultural work."

Projects Not Included in Budget Request

Mr. Hunter. What projects are not included for which funds are needed?

Mr. Short. Mr. Chairman, we have many important projects on which we are unable to perform to the satisfaction of American agricultural interests. I have already called your attention to the needed expansion in the development of market opportunities and for information on competing production abroad. Present plans contemplate that these marketing specialists will spend much of their time away from Washington, either abroad or in the United States with industry groups.

One additional project is for strengthening our commodity work in order to have the desired outlook information available to our American farmers on the demand for our commodities and the competition that we can expect from foreign production.

The other project I should like to mention is the need for providing leadership within the United States Government for our participation in the Food and Agriculture Organization. I shall insert the details for the record.

(The information referred to is as follows:)

1. Outlook for United States agricultural exports—$70,000

In the postwar period, production of agricultural commodities in foreign countries has steadily recovered from wartime underproduction. To maintain foreign outlets for our well-developed output, more attention must be given to export outlook prospects for such commodities as cotton, rice, tobacco, wheat, soybeans, and lard.

This calls for a continuous appraisal and publication of the outlook for foreign markets and competing foreign production, in which both information from the

commodity specialists and from the agricultural attachés would be utilized. Such appraisal can be provided only by strengthening the Washington commodity backstopping.

It is proposed to add one commodity specialist and one statistical assistant to each of the six commodity divisions to study production and potential market trends in countries which compete with United States products in world markets, and to prepare reports for the benefit of the specific segment of the United States agricultural industry concerned with exportable surpluses.

II. To service FAO work, $31,000

Providing leadership within the United States Government for participation in the Food and Agriculture Organization of the United Nations is a prime responsibility of FAS. It requires development of United States policy toward FAO and other international organizations, and coordination of participation of other United States agencies, both governmental and nongovernmental, in this work. Funds for this activity have not been specifically provided, and the work has been done on a limited scale out of regular FAS funds. The work has increased greatly in recent years. The removal of FAO's headquarters to Rome, the inauguration of FAO's technical assistance program, the broadened interest of nongovernmental organizations in FAO have resulted in more than doubling the volume and responsibility of the activity. If this important responsibility is to be adequately fulfilled, it is imperative that funds be provided for staffing and servicing the operation.

It is planned to establish a small staff to serve as the Secretariat for the United States FAO Interagency Committee and to service the National Conference of Nongovernmental Organizations on FAO. The Director of FAS will serve as Chairman of the Interagency Committee, and the Associate Director as Vice Chairman. The head of the staff will serve as Secretary of the Committee and as a focal point for assisting the Director in fulfilling the responsibilities of the United States inherent in membership in FAO. This includes developing United States policies on issues arising in FAO and in related international organizations in cooperation with other United States Government agencies and nongovernmental organizations, managing the operations of the United States FAO Interagency Committee, coordinating the selection of United States delegations to FAO meetings and preparation of United States statements of agricultural policy towards FAO, establishing a program of information for the American public about FAO and responsibility for FAO publications distributed in the United States.

UTILIZATION OF SECTION 32 FUNDS TO EXPAND AND DEVELOP FOREIGN MARKET OUTLETS

Mr. WHEELER. I wonder if I may have permission to insert in the record a brief statement explaining the fact that we intend in 1954 to increase the allotment from section 32 to the Foreign Agricultural Service. That does not involve any action this committee has to take in the bill. However, it would represent a somewhat different pattern of allocation of funds, and we want to make sure the committee is aware of it. It has been mentioned briefly before, but I think that it should be commented on at this point also.

Mr. HUNTER. If there is no objection, it will be placed in the record at this point.

(Statement referred to follows:)

Careful analysis of current efforts to avoid undue accumulation of surplus agricultural commodities convinces us that we must, among other things, take more aggressive steps to promote exportation of commodities in actual or potential surplus. In recent years, 3 or 4 marketing specialists have been employed by the Office of Foreign Agricultural Relations, by means of an allotment from the appropriation for the Agricultural Marketing Act, to develop foreign-market outlets for specific commodities in abundant supply. This activity needs to be expanded and we believe the time has come when it should be financed from section 32 funds which are appropriated for encouraging the exportation of agricultural commodities, and are available for a concerted effort to develop foreign outlets in this manner. Therefore, it is our intention to utilize section 32 funds for the employment of present and additional marketing specialists for this purpose.

Accordingly, the anticipated allotment to the Foreign Agricultural Service in the fiscal year 1954 will approximate $200,000 rather than the $65,000 presently indicated in the budget.

Mr. HUNTER. The committee will stand adjourned until 2 o'clock.

LANGUAGE CHANGES AND GENERAL PROVISIONS

WITNESS

RALPH S. ROBERTS, DIRECTOR OF FINANCE AND BUDGET OFFICER, DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH ADMINISTRATION

Mr. ANDERSEN. Mr. Roberts, will you explain the various language changes in the appropriations for the Agricultural Research Administration?

Mr. ROBERTS. In the item for the "Office of Administrator," starting on line 4, page 15 of your committee print, language is deleted which authorized reimbursement for work at the Agricultural Research Center. Since we are proposing to handle this through the working capital fund in 1954, this language is no longer needed. Also, the new language starting on line 13 of page 15 of the committee print, which was carried in the original budget to authorize $6,000 for an addition to the solvents storage building at the Agricultural Research Center, is no longer needed since the revised budget eliminates the increase for this purpose.

The only change in the Bureau of Animal Industry language is on page 34 of the committee print. We propose to delete the provision contained in the 1953 act providing additional funds for poultry research (air-sac infection or chronic respiratory disease). The research has been intensified in 1953, and the 1954 budget estimates contain funds for continuation and extension of such research. Therefore, retention of this specific provision is not necessary.

For the Bureau of Plant Industry, Soils, and Agricultural Engineering, there are a number of changes on page 48 of the print. The new words inserted on line 9, and the words deleted from line 11, are for the purpose of including reference to soil and water investigations transferred from the Soil Conservation Service, and deleting reference to classification and mapping of soils transferred to the Soil Conservation Service by Secretary's Memorandum No. 1318. The other two changes are merely for the purpose of deleting nonrecurring authority for acquisition of an airplane and for the construction of an addition to the United States Cotton Ginning Branch Laboratory at Mesilla Park, N. Mex.

CONTROL OF FOREST PESTS

In the language for "Control of forest pests," there is a very important change which does not appear in your committee print because it was approved by the Budget Bureau too late to be reflected in the printed budget. This change, however, has the approval of the Bureau of the Budget. During the hearings on this item, we discussed at some length with the committee our proposal to place all of the control funds in the reserve, leaving only the funds for detection and appraisal surveys outside the reserve. On this basis, the control funds would be released for use based on firm plans developed from completed surveys and would also be available for

emergency needs as they arise. We believe this would be a real improvement in budgeting for this activity. To implement this proposal, it would be necessary to substitute "$2,920,000" for "$500,000" in line 15 on page 64 of your committee print. It would also be necessary to delete the words "to meet emergency conditions" in lines 19 and 20 and add the words "under the then existing conditions."

MEAT INSPECTION

Mr. ANDERSEN. Mr. Roberts, what is your recommendation concerning the provision that was added to the 1952 Agriculture Appropriation Act authorizing reimbursement by meatpackers for the expenses of meat inspection in excess of those which could be made from the amount appropriated? This was permanent legislation, but in the report on the 1953 bill this committee directed the Department not to use the authority. Is there any reason why the proviso in the 1952 act should not be repealed?

Mr. ROBERTS. As you pointed out, the committee directed us not to use this authority and we are not using it. The fact that the authority is still technically available has caused occasional confusion because we have had a request or two for special services not a part of the regular meat inspection program which 1 or 2 firms have offered to pay for and want us to perform under this authority. We think it would be very desirable for this to be clarified by repealing the 1952 proviso, assuming the Congress still prefers that we not use the authority.

FOREST SERVICE

Mr. ANDERSEN. Discuss the proposed changes for the Forest Service appearing on pages 70 through 73 of the committee print.

Mr. ROBERTS. The first language change on page 70 proposes an increase from $10,000 to $15,000 in the authorization for the temporary or intermittent employment of persons or organizations without regard to civil-service and classification laws. Salaries and wages have increased substantially since the existing authorization was secured and an increase of $15,000 is warranted. While the present authorization was adequate through the fiscal year 1952, contracts for the employment of boat designers or architects might utilize all of the present authorization. For example, a contract for a standard design for use in replacement of a boat in Alaska would cost 10 percent of the contract price or approximately $5,000.

The second and third changes on page 70 and a similar change in the ninth line on page 72 propose an increase from $15,000 to $18,500 in the building limitation. Since the last change in the building limitation was made, building costs have generally increased and for individual buildings in national forest areas the costs are even higher than the national average because of the special circumstances involved.

The few dwellings which the Forest Service constructs at the present time are all at remote locations. Funds are not available for construction of dwellings in areas where employees have an opportunity to rent. In these remote locations transportation costs of materials and equipment are extremely high, and a larger percentage of handwork is necessary than in urban areas where power equipment is

readily available. Skilled labor also has to be brought to these remote locations and contractors are required to operate camps where workmen are housed and fed. Under the proposed increase in the limitation the Forest Service will not raise the standards or increase the size of the buildings to be constructed. In accessible areas where competition between contractors is active, it is estimated buildings can continue to be constructed for $15,000 or less.

The proviso to be inserted on page 71 consists of two parts. The first four lines represent a transfer of the authorization to operate, maintain, and purchase aircraft from the "National forest protection and management" item to the preamble in order to make that authorization applicable to all appropriations of the Forest Service. The corresponding language in the "National forest protection and management" item is shown as a deletion starting at the bottom of page 71. At the present time the authorization for the operation and maintenance of aircraft appears only in the "Protection and management" appropriation language. However, authority is needed to permit payment from other appropriations for airplane service in transporting personnel, supplies, and equipment to fires, particularly in the Superior National Forest of Minnesota, to road and trail projects, and to experimental areas in inaccessible sections of the national forests. Authority is also needed to cover the cost of airplane service in transporting personnel, supplies, and materials to fires on State and private lands adjacent to the national forests. The use of aircraft is expanding steadily in all phases of Forest Service work. The transportation of supplies and materials to inaccessible sections of forested areas is more economical by air than by pack train, and the authority now contained in the "National forest protection and management" appropriation should be revised to include all appropriations of the Forest Service. This proposed change would make it possible to obtain more efficient and economical operation of Forest Service planes; it does not involve the purchase of any additional aircraft. The authority to purchase these airplanes is for replacement only, as was the case in 1953, when this language was carried under "National forest protection and management."

The last three lines of the new proviso on page 71 propose language to permit the Forest Service to take essential action to maintain, improve, and construct airplane landing fields. The Forest Service has 112 small airplane landing strips on national forest lands. Most of these were constructed during the period 1935–40 to permit more efficient and effective administration and fire protection on national forests. Since their construction, airstrips have become increasingly important, especially for fire protection, and for this purpose are a vital part of the basic transportation system of the Forest Service. In addition, these landing strips are coming to be used more and more by private citizens using the forests, particularly for recreation purposes. While the Forest Service has prohibited landing of planes by private individuals in wilderness areas, it has not deemed this feasible or appropriate in other cases.

A number of these fields, while still in use, are hazardous, if not completely unsafe, for modern small planes. Runways are short and not adequately maintained. Approaches need clearing. These conditions have cause a number of accidents recently. Thus, to protect life, to provide for efficient protection of adjacent timberlands from

fire, and to avoid possible damage suits against the Government which might result from accidents, it is essential that authorization be provided for maintenance, improvement, and construction of airstrips.

It is important that landing fields, which are but another type of transportation facility, be established at strategic locations to furnish effective protection to inaccessible remote areas. Since the use of landing fields is in lieu of other means of transportation, the major portion of the obligations under this authority would be from the "Forest roads and trails "appropriation. There are many large areas within the national forests in which the planned road system is only partially completed. There are other so-called wilderness areas in which roads will never be built. When forest fires occur in such areas, it is often necessary to walk fire fighters from 10 to 35 miles over steep trails to reach the location of the fires. Under such conditions of delayed attack, fires grow large and the cost of suppression is extremely high. Landing fields in such areas make it possible to speed up crew travel, thus appreciably reducing the cost of fire suppression.

The new language proposed to be inserted on page 73 would permit the Forest Service to undertake the purchase of individual parcels of land, over a period of years, in accordance with section 14 (a) of the act of April 24, 1950 (16 U. S. C. 580i), which authorizes the appropriation of such sums as may be necessary for the acquisition of parcels of land and interests in land in Sanders County, Mont., needed by the Forest Service to provide winter range for its saddle, pack, and draft animals.

Effective protection of the national forests in Montana, northern Idaho, and northeastern Washington requires annual use of approximately 1,150 head of pack, saddle, and draft horses and mules. The work season for these animals is from approximately May 15 to October 15 of each year. During the remainder of the year, stock must be fed and the most economical method is to place the animals on rangeland that supports an adequate supply of feed in the way of native grass.

Prior to 1931 winter pasture was rented at various points throughout the region, but tenure was uncertain, the rates per month were high, and the costs of distributing, collecting, supervising, and caring for the animals were large. In 1931 a single winter range was established by leasing approximately 41,000 acres of grazing land in Sanders County, Mont., where slope, exposure, and forage cover permitted winter grazing with only limited supplementary feed.

Since 1945 more than 13,000 acres of the original area of 41,000 plus acres have been lost to stock and sheep operations. While this loss has not seriously handicapped the winter range operation, because of reduction of some 600 head of stock on the winter range due to the elimination of breeding program and some reductions in the number of animals needed in the forests, the 13,000 acres lost were the better grazing lands of high carrying capacity. Further loss of the leased rangelands will constitute a costly and severe handicap to the administration and protection of the national forests in the region.

The owners of two of the key leased tracts have notified the Forest Service they will probably sell at the completion of the present leases which expire during fiscal year 1954. In each case they have leased to the Forest Service for many years and are strongly sympathetic to

the objective of planned Forest Service ownership. They would probably sell to the Forest Service at favorable prices if funds permitted negotiations at or before termination of the leases.

Action based on the enabling legislation in the act of April 24, 1950, has not been taken at an earlier date due to local opposition to Government purchase. During the past few months there are indications that the county commissioners would approve purchase on an individual tract basis. Under these conditions it is urgent to include in the 1954 appropriation language the necessary authorization to permit the purchase of at least a portion of the most urgently needed winter range.

FOREST ROADS AND TRAILS

Mr. ANDERSEN. Are there any changes in the forest roads and trails language?

Mr. ROBERTS. We propose to increase from $15,000 to $18,500 the building limitation to provide alleviation from conditions resulting from the substantial increases in building costs. This is needed for the same reasons that we just discussed in connection with the "Salaries and expenses" appropriation.

When the budget estimate for forest roads and trails was revised to add $10 million for access roads for timber salvage in certain insect-infested areas, the Budget Bureau authorized the addition of the following proviso which is needed to speed up this important emergency work:

Provided further, That section 3 (c) of the Federal-aid Highway Act of 1948 approved June 29, 1948 (62 Stat. 1105) shall not be applicable to construction from funds contained herein, of timber access roads primarily for removal of insect killed and infested timber, but the total cost of construction which may be undertaken without regard to said section shall not exceed $2 million.

This change will permit the Government to construct roads, estimated to cost in excess of $10,000 per mile, on a force account basis and without the need for prior advertising. This change is proposed to facilitate the early start of construction for a portion of the roads covered by the increase requested in this appropriation estimate for construction of timber access roads needed to permit removal of insect killed and infested timber in Idaho and Montana.

The provisions of section 3 (c) of the Federal-Aid Highway Act of 1948 require that the construction of roads estimated to cost $10,000 or more per mile, exclusive of bridges, shall be advertised and let to contract. If no acceptable bid is received, or the bids are deemed excessive, the work may be done by the Government on a force-account basis. It is anticipated that certain sections of road construction can most advantageously be done by the Government. In a few cases the costs may exceed $10,000 per mile and under those circumstances the delay incident to advertising could result in holding up construction for from 4 weeks to 6 weeks.

The speeding up of construction is essential if the large volume of infested spruce is to be logged by the end of the 1953 season as contemplated under the proposed program.

COOPERATIVE RANGE IMPROVEMENT

Mr. ANDERSEN. What about the language change under "Cooperative range improvements" on page 91?

Mr. ROBERTS. This change merely deletes the special proviso carrying forward unobligated balances of the appropriation from 1952. The unobligated balance from the 1952 appropriation will be fully obligated in the fiscal year 1953 and this provision is no longer needed.

Mr. ANDERSEN. Are there any other language changes relating to the Forest Service?

Mr. ROBERTS. If the subcommittee approves the proposals in the revised budget estimate to eliminate the appropriations for acquisition of lands for national forests under the Weeks Act and under the special acts, the language on pages 83 and 85 of the committee print should be deleted.

FLOOD PREVENTION

Mr. ANDERSEN. Please explain the proposed changes for flood prevention on pages 99 and 100 of the committee print.

Mr. ROBERTS. The new language inserted in the third and fourth lines on page 99 was proposed in the original budget to relocate within the item the words "in accordance with the provisions of laws relating to the activities of the Department" in order to provide for the use of funds appropriated under this item for the installation of flood-prevention measures in accordance with existing authorities available to the Department other than the Flood Control Acts. This relocation would involve deleting similar language starting on line 10. Since the revised budget no longer provides funds for work in the seven watersheds for which surveys have not been approved by Congress under the Flood Control Acts, this relocation is not essential. However, we think it would be desirable to retain the change in order to place together at the beginning of the item reference to all the authorities under which the work is conducted. In the event the committee decides not to relocate the language in the third and fourth lines, then the words shown in brackets beginning at the end of line 10 should be restored since reference to provisions of laws relating to activities of the Department is needed in connection with general basin-investigations work.

The words "the Colorado River area" in line 9 can be deleted since, in the revised budget estimates, it is proposed to defer initiation of an agricultural program for that area.

In the 10th line, the words "the Sevier River area" should be deleted since a watershed-survey report on the area (H. Doc. 406, 82d Cong., 2d sess.) has been completed and forwarded to the Congress, and it is not contemplated that a general basin investigation will be made in the area.

In the 20th line we propose to substitute the word "prevention" for the word "control" so that the language will be consistent with the revised title of this item.

The language to be deleted, starting in the first line on page 100, refers to the prohibition of the purchase of lands in certain parts of the Grand (Neosho) and lower Arkansas watershed areas. The Grand (Neosho) report (H. Doc. No. 388, 82d Cong., 2d sess.) does not provide for any land acquisition in the subwatersheds mentioned, and the

lower Arkansas River survey report specifically provides that no acquisition is recommended in the Oklahoma counties mentioned. Therefore, this language is unnecessary.

Soil Conservation Service

Mr. Andersen. What is the reason for changing the appropriation for the Soil Conservation Service on page 110 of the committee print?

Mr. Roberts. All the changes in this item are for the purpose of revising the language to recognize the transfer of research dealing with soil and crop management, and water management on farms related to crop production to the Bureau of Plant Industry, Soils, and Agricultural Engineering and the transfer of soil survey work from that Bureau to the Soil Conservation Service pursuant to Secretary's Memorandum No. 1318.

Agricultural Conservation Program

Mr. Andersen. Discuss the proposed changes for the agricultural conservation program appropriations appearing on pages 122 through 125 of the committee print.

Mr. Roberts. The committee print, as you know, is based on the original budget and several of the program changes in the revised budget estimate affect the language of this item. The new proviso starting at the bottom of page 122 of the print is no longer needed since the revised budget estimate no longer includes the $2,436,000 originally proposed to be added to this item for flood prevention work in the seven new watersheds.

The administrative expenses of $32,496,000, shown in the fifth line on page 123, can be reduced to $26,178,700 in accordance with the revised budget estimate, and the limitation of $5 million in line 10 can be changed to $4,675,000 for transfer to "Administrative expenses, section 392, Agricultural Adjustment Act of 1938, for State and National expenses of the program."

The advance authorization of $250 million shown on line 10 of page 124 of the print is changed to $140 million in the revised budget. This change has already been discussed at some length with the committee.

The proposed new language starting in the 15th line on page 124 would permit the Secretary to allocate an additional $100,000 to Alaska above what it would receive under the formula contained in the annual appropriation act. Alaska is of great strategic value militarily to the United States and the population has been increasing very rapidly in the past 10 years. It is extremely important in the interest of national defense, that it become more self-sufficient in food and feed production, thus requiring less food and feed shipments from the States.

In order to achieve increased production, a change in land use and development of additional farmland is necessary.

In accordance with the revised budget, some additional language that does not show in your committee print should be inserted after the amount of $2,500 but before the parenthesis in the fourth line from the bottom of page 124. The language to be inserted is as follows:

, and except that the payments authorized shall be made without regard to the increases required by section 8 (e) of the Act

This language will eliminate the necessity of making adjustments in small payments pursuant to the provisions of section 8 (e) of substantive legislation. The proposed authorization of $140 million for the 1954 agricultural conservation program excludes the amount that would ordinarily be required for small payment increases. Increases in payments to farmers are based upon the size of payment—not the size of the farm. Because over 90 percent of the program payments have been less than $200, nearly all farmers get increases regardless of the size of their farming operations. More units of conservation can be obtained by direct practice assistance rather than by using the small payment increase to supplement rates of payment.

The last change in this item starts on the 18th line of page 125 of your committee print. It is proposed to eliminate the language permitting the use of 2½ percent of the program allocation for any State for contacts with farmers to secure the adoption of more permanent-type practices. Such contacts will not be necessary in fiscal year 1954, since it is recommended that the 1954 program be limited to permanent-type practices.

AGRICULTURAL PRODUCTION PROGRAM

Mr. ANDERSEN. Does the revision in the budget for this item require any change in the language?

Mr. ROBERTS. First of all, we are proposing to change the title of the appropriation to "Agricultural Adjustment Programs" since the funds for production goals work have been eliminated and the appropriation will be used primarily for acreage allotments and marketing quotas on tobacco, peanuts, wheat, and cotton. In the body of the language, we propose deleting the words "in obtaining equipment, materials, and facilities necessary to attain needed production of agricultural commodities," since this work is to be eliminated.

The revised budget retains $350,000 for assistance to selective service boards by furnishing information on the type, scope, and importance of farming operations dependent on farmers subject to the draft or those already in the armed services; therefore, the words "advice and" should be inserted after the word "provide" in the fifth line on page 130 of the committee print and the words "to selective service authorities in connection with farm labor," should be inserted after the word "assistance" in the same line.

In accordance with the revised estimate which provides funds for acreage allotments and marketing quotas on wheat and cotton, the amount of the item should be changed to $35,600,000. The amount shown on line 8 for transfer to "Administrative Expenses, section 392, Agricultural Adjustment Act of 1938" should be changed to $5,600,000 and the following proviso should be added to the end of the item:

Provided, That $5,750,000 of this appropriation shall be placed in reserve pending determination by the Secretary as to the necessity of marketing quotas for the 1954 crop of wheat and this amount shall be released in such sums and at such times as may be determined by the Bureau of the Budget to be necessary.

Rural Electrification Administration

Mr. Andersen. What is the purpose of the language changes on page 159 of the committee print relating to Rural Electrification Administration loans?

Mr. Roberts. In accordance with the revised budget estimates, the amount of $135 million for rural electrification loans shown on line 5 should be changed to $95 million. As we explained earlier, with the carryover of funds from 1953 this will permit a total loan program of $120 million.

The amount of $65 million for rural telephone loans shown in line 6 should be changed to $50 million. The language deleted in lines 8 and 9 eliminates the contingent borrowing authorization provided in the 1953 act for the rural telephone program.

The additional language relating to the contingency fund for electrification loans starting in the 13th line is very important to the operation of the program. The purpose of this language is to provide sufficient loan funds in particular States to accomplish the electrification loan program considered necessary for 1954. The loan authorization of $95 million together with the estimated carryover of $32,298,364, may not permit the carrying out of the total planned loan program of $120 million for fiscal year 1954, because subsections (*c*), (*d*) and (*e*) of section 3 of the Rural Electrification Act of 1936 as amended limit the amount that can be loaned in any one State. In some States, under the allotment formula, the maximum amount that can be loaned is likely to be less than the amount required to meet loan needs. In recent years contingent loan authorizations, subject to the same limitations as the basic authorization, were provided in the necessary amount to increase the limitations in States where urgently needed for increasing capacity of lines and facilities. Since the additional amounts were subject to the allotment formula it has been necessary for the Congress to provide additional borrowing authorization in excess of the amounts required for actual lending. In order to avoid this situation in 1954, it is proposed that the contingency funds be made available directly as needed in the various States, except that not more than 20 percent of such additional amounts may be loaned in any one State. On this basis, a contingent authorization of $60 million, in addition to the basic authorization of $95 million is required to meet loan needs for fiscal year 1954.

Office of Information

Mr. Andersen. Discuss the proposed changes for the Office of Information on pages 198 and 199 of the print.

Mr. Roberts. The changes in the first 6 lines are made for the purpose of simplifying and shortening the wording of the item. The proposed changes would in no way affect the nature or scope of the work being conducted.

The changes in lines 13 through 18 are for the purpose of deleting the limitations relating to the preparation, display, and distribution of exhibits and motion and sound pictures. This change is for the purpose of simplifying and shortening the wording of the item. The amounts obligated for motion pictures and exhibits would continue

to be reflected separately in the schedule of obligations by activities. In this connection, the amount of $641,128 shown in line 18 as the amount to be used for farmers' bulletins should be reduced to $442,000 in accordance with the revised budget estimate for this appropriation.

The proviso to be deleted, starting in line 5, page 199, is for the purpose of eliminating the provision authorizing the transfer of additional funds for the preparation and display of motion pictures and exhibits. This language is no longer necessary since motion picture and exhibit work is now performed under the working capital fund and regular reimbursement procedures.

Eradication of Foot-and-Mouth and Other Contagious Diseases of Animals and Poultry

Mr. Andersen. Please discuss the language changes for this item on page 230.

Mr. Roberts. There are a number of minor language changes shown on pages 230, 231, and 232 of your committee print. Most of these are minor perfecting changes proposed in the interest of clarification. The changes would in no way affect the nature and scope of the work conducted or authorized, it having been determined that the phrases deleted do not add any necessary authority not otherwise covered in the remaining language.

I think it would be well for me to comment specifically on two of the changes. The proviso starting on the 16th line of page 231 is deleted because the budget proposes to locate this item along with all the other appropriations of the Agricultural Research Administration and the reference therefore is not necessary. However, if the committee should again place this item in a separate title, it would be well to restore this language in order to make applicable to it the provision contained under "Salaries and expenses, Office of Administrator, Agricultural Research Administration."

On page 232, the words "including interest thereon through June 30, 1953" are added to make it clear that the amount of notes proposed for cancellation for 1954 includes estimated interest for the period July 1, 1952, through June 30, 1953, on prior year transfers as well as the interest accruing prior to July 1, 1952.

Mr. Andersen. Is it necessary to continue this item for foot-and-mouth disease in the bill?

Mr. Roberts. Yes, Mr. Andersen, it is very important to continue this authority to transfer funds to meet emergency outbreaks of foot-and-mouth or other contagious diseases of animals and poultry. While we do not now foresee the need for any funds under this head in 1954 for foot-and-mouth disease, we would definitely need the authority if an outbreak should occur in the United States or neighboring countries. Similar language was carried in the agriculture appropriation bills for many years prior to the outbreaks in Mexico and Canada. This emergency authority would be especially vital if an outbreak occurred when Congress is not in session and action must be taken immediately to avoid large losses.

As you know, this is the authority we used to transfer funds for the vesicular exanthema eradication program this year. We also used it to make a small transfer of funds for the eradication of scrapie disease of sheep in California last fall.

General Provisions

Mr. Andersen. Mr. Roberts, I notice that there are a number of changes proposed in the general provisions of the bill. Will you discuss them briefly for the benefit of the committee?

Motor Vehicles

Mr. Roberts. In section 401, page 237 of the committee print, it is proposed that the number "735" be inserted to authorize the Department of Agriculture in the fiscal year 1954 to replace that number of passenger-carrying motor vehicles necessary for the conduct of the work of the Department outside the District of Columbia.

You will notice that we have prepared a consolidated statement of passenger-carrying vehicles which appears on pages 246–249 of the committee print. In that statement 757 old vehicles are proposed to be replaced. The difference between that number and the 735 indicated in section 401 is composed of 21 cars, used by inspectors engaged in grading farm and food products, which are purchased and operated on funds advanced by producers for whom services are performed. The remaining one car is available to the Office of the Secretary for use in the District of Columbia, and is covered by specific language in the appropriation for that Office; therefore, it does not come within the limitation stated in section 401.

Mr. Andersen. What effect will future plans of the new Secretary have on your request for replacement of 757 automobiles?

Mr. Roberts. Since all of the 757 automobiles indicated in the original budget to be acquired in 1954 consist of replacements rather than any increase in the total number of automobiles, the revised budget does not materially affect this figure. In other words, even in the original budget, additional automobiles were not involved in the various requests for increased funds, some of which have been eliminated in the revised budget. However, we have recently reviewed our requirements for these automobile replacements, item by item, and find that a reduction of 16—from 735 to 719—can be effected.

As of June 30, 1952, the Department had 4,027 passenger automobiles for use in its many and varied activities which require that type of transportation for effective field work. This is 67 less than the previous year and 181 below the number on June 30, 1950. All of the automobiles proposed to be replaced come well within the governmentwide standard which has been developed through experience over many years as to maximum age and mileage factors beyond which it is more economical to replace than to continue old cars in operation. In addition to the safety factors involved, it is really good business to replace these automobiles when they reach the stage where they require excessive repairs and maintenance costs. In recent years, we have not replaced all the automobiles that should be replaced under the standards. As of June 30, 1952, approximately 32 percent of our automobiles was made up of 1947 and older units and approximately 24 percent had individual mileage readings of over 60,000. Generally, it is more economical to replace cars when they reach this stage. The replacements requested for 1954, if approved, would permit us to replace about 18 percent of the total automobiles—

still considerably short of the number which should be replaced under the standard.

The question has been raised in connection with consideration of the independent offices appropriation bill concerning the possibility of meeting replacement needs by transfers of excess cars from one Government agency to another. This Department has had an aggressive program for a number of years of interchanging surplus equipment, both within the Department and between our agencies and other agencies of Government. I would like to point out, however, that this process does not solve the problem of replacement of the older, wornout cars. In the first place, when an agency declares automobiles surplus, it naturally releases the oldest cars or those most costly to repair. In the second place, when it is possible to pick up cars from other Government departments to replace even less desirable automobiles that we may have on hand, this transaction is still charged to the limitation on replacement of automobiles.

Mr. ANDERSEN. Have you given consideration to requiring employees to furnish their own transportation for field work on a reimbursable basis?

Mr. ROBERTS. Yes, a good deal of study has been given this matter by the bureaus and as a matter of fact a number of bureaus utilize employees' cars on a reimbursable basis where practicable to do so.

Factual operating data is collected by the various bureaus on a year-to-year basis and used for both cost and program studies. The combined operation, maintenance, storage and tire cost on a per mile basis for all automobiles owned by the Department for the period of July 1, 1951, to June 30, 1952 was $0.037. This figure excludes depreciation but does include the cost of gasoline, oil, batteries, tires, maintenance, repair, and storage.

Another factor for consideration is that a good portion of automotive travel on Department programs is over rural, mountainous, and often dusty unimproved roads, which means of course that the units do operate under more severe conditions than the ordinary privately owned passenger car. As conditions become increasingly severe pick-up trucks, other light trucks and off-the-road vehicles are used. Likewise the need for carrying equipment, such as soil augers, survey rods, tripods, hand tools and fire equipment, frequently dictates the use of light trucks in lieu of passenger-carrying vehicles. In addition to substantial use over secondary roads many of the Department's programs are emergency in nature which require that vehicles be available on a 24-hour basis. Also a number of bureaus recruit many of their technical employees as they graduate from college and a requirement that they provide themselves with a suitable car as a prerequisite to employment would prove burdensome to these technicians in many cases. A related consideration is the fact that many other employees are married, have families and are not financially able to own two vehicles which would be necessary if the wife and children were to have transportation during the day, and on occasions at night.

In general, Department agencies have established fleet-management policies which embrace progressive ideas tending to promote dependable and lowered cost of operation. Although as previously indicated such vehicles are operated under widely differing road conditions, the Department as a whole is operating its vehicles at a very favorable cost as compared to all Government agencies. An attending factor

which of course merits consideration from a depreciation standpoint is that the cost of a Government unit is only about two-thirds that of a privately financed purchase; therefore, the cost per mile for depreciation is in general lower.

Continuous reviews have enabled the Department to reduce the number of its passenger-carrying cars during each of the last several years. These reviews will be continued in an effort to keep the number of cars to a minimum consistent with work programs and functions. However, it does not appear that as a general rule we could depend wholly or to a substantially greater extent that at present on employee-owned vehicles without seriously impairing program operations.

CHAUFFEURS

Mr. ANDERSEN. I notice that you propose to delete section 409 of the bill. Will you explain the reason?

Mr. ROBERTS. Section 409 prohibits the use of appropriated funds for the payment of salary to any employee whose principal duties consist of acting as a chauffeur, except for the car officially assigned to the Secretary of Agriculture.

It is proposed to delete that limitation from the Department of Agriculture appropriation bill since the 1954 budget, page 200, includes a similar limitation which is made applicable to all departments, agencies, and corporations of the Government.

DELETION OF LIMITATION ON FILLING OF VACANCIES

Mr. ANDERSEN. Mr. Roberts, will you explain why you believe it is not necessary to continue section 410 in the 1954 agricultural appropriation bill?

Mr. ROBERTS. Mr. Chairman, this section carries the so-called Jensen amendment which, with stated exceptions, limited in the fiscal year 1953 the number of vacancies that might be filled until the total number of personnel subject to the section was reduced to 90 percent of the total provided for in budget estimates for 1953. The section is a nonrecurring one, and since the reduction and adjustments in personnel contemplated by it have been accomplished, the budget proposes that the section be deleted.

I have a statement here which you may wish inserted in the record showing the number of positions exempted from the limitation of section 410, the number of positions to which the section applied, and the nonexempted position ceiling which was established by it. You will notice that of the total of 117,769 positions in the 1953 budget, only 2,474 positions were within the 90 percent ceiling established by section 410. Within that nonexempted group the Department was below the ceiling by the time the 1953 Agricultural Appropriation Act was passed. Monthly reports obtained by the Department from the various bureaus and agencies indicated that the Department has never been above the ceiling during the year. Thus, section 410 has really not become operative within the Department thus far during the fiscal year 1953.

Mr. ANDERSEN. We will insert the table in the record at this point.

(The table referred to is as follows:)

Positions in 1953 budget to which section 410 of the Department of Agriculture Appropriation Act, 1953, applies

Appropriation	Positions in 1953 budget (1)	Total positions exempted (2)	Number of positions to which sec. 410 applies (3)	Nonexempt position ceiling (90 percent of Col. 3) (4)
Agricultural Marketing Act, Agriculture	706	706		
Salaries and expenses, Bureau of Agricultural Economics:				
Economic investigations	575	476	99	89
Crop and livestock estimates	721	721		
Total, salaries and expenses, Bureau of Agricultural Economics	1,296	1,197	99	89
Salaries and expenses, Office of Administrator, Agricultural Research Administration	206	206		
Research on agricultural problems of Alaska, Agricultural Research Administration	130	130		
Office of Experiment Stations:				
Payments to States, Hawaii, Alaska, and Puerto Rico	24	24		
Salaries and expenses	82	82		
Virgin Islands agricultural program	25	25		
Total, Office of Experiment Stations	131	131		
Salaries and expenses, Bureau of Human Nutrition and Home Economics	245	239	6	5
Salaries and expenses, Bureau of Animal Industry:				
Animal research	761	761		
Animal disease control and eradication	1,538	1,478	60	54
Meat inspection	3,179	3,179		
Total, salaries and expenses, Bureau of Animal Industry	5,478	5,418	60	54
Salaries and expenses, Bureau of Dairy Industry	306	306		
Salaries and expenses, Bureau of Agricultural and Industrial Chemistry	1,326	1,326		
Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering:				
Plant, soil, and agricultural engineering research	2,406	2,405	1	1
National Arboretum	48	47	1	1
Total, salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering	2,454	2,452	2	2
Salaries and expenses, Bureau of Entomology and Plant Quarantine:				
Insect investigations	1,619	1,619		
Insect and plant disease control	2,323	2,295	28	25
Plant quarantines	557	557		
Total, salaries and expenses, Bureau of Entomology and Plant Quarantine	4,499	4,471	28	25
Control of forest pests, Agriculture:				
Forest Pest Control Act	2,174	2,170	4	3
White pine blister rust	2,830	2,809	21	19
Total, control of forest pests	5,004	4,979	25	22
Salaries and expenses, Forest Service:				
National forest protection and management	12,212	12,212		
Fighting forest fires	27,494	27,494		
Forest research	1,178	1,178		
Total, salaries and expenses, Forest Service	40,884	40,884		
Forest roads and trails, Forest Service	6,306	6,306		
Acquisition of lands for national forests, Weeks Act, Forest Service	7	7		
Acquisition of lands for national forests, Superior National Forest, Forest Service	1	1		
Acquisition of lands for national forests, special acts, Forest Service	2	2		
State and private forestry cooperation, Forest Service	187	185	2	2
Cooperative range improvements, Forest Service	604	604		
Flood prevention, Agriculture	1,201	1,187	14	12

Positions in 1953 budget to which section 410 of the Department of Agriculture Appropriation Act, 1953, applies—Continued

Appropriation	Positions in 1953 budget (1)	Total positions exempted (2)	Number of positions to which sec. 410 applies (3)	Nonexempt position ceiling (90 percent of Col. 3) (4)
Salaries and expenses, Soil Conservation Service	14,675	14,675		
Water conservation and utilization projects, Soil Conservation Service	61	61		
Conservation and use of agricultural land resources, Production and Marketing Administration	978	845	133	120
Agricultural production programs, Production and Marketing Administration	617	546	71	64
Sugar Act program, Production and Marketing Administration	184	116	68	62
National school-lunch program, Production and Marketing Administration	276	188	88	80
Marketing services, Production and Marketing Administration	2,159	2,159		
Administrative expenses, Commodity Credit Corporation	3,589	3,075	514	463
Salaries and expenses, Commodity Exchange Authority	139	139		
Operating and administrative expenses, Federal Crop Insurance Corporation	2,222	2,074	148	133
Salaries and expenses, Rural Electrification Administration	1,251	1,251		
Salaries and expenses, Farmers' Home Administration	15,674	15,380	294	264
Salaries and expenses, Farm Credit Administration	410	392	18	16
Federal intermediate credit banks	378	378		
Production Credit Corporations	251	251		
Extension Service:				
Payments to States, Hawaii, Alaska, and Puerto Rico for cooperative agricultural extension work	46	3	43	39
Salaries and expenses	141	14	127	114
Total, Extension Service appropriations	187	17	170	153
Salaries and expenses, Office of the Secretary of Agriculture	404	44	360	324
Salaries and expenses, Office of the Solicitor	506	211	295	265
Salaries and expenses, Office of Foreign Agricultural Relations	152	55	97	88
Salaries and expenses, Office of Information	121	6	115	104
Salaries and expenses, library	173	32	141	127
Research on strategic and critical agricultural materials	128	128		
Total	115,508	112,760	2,748	2,474
Add positions in budget schedules applicable to reimbursements from appropriations and authorizations not included in Department of Agriculture Appropriation Act, 1953	2,261			
Total positions	117,769			

PERSONNEL IN INFORMATION WORK

Mr. ANDERSEN. I notice that you are also proposing to delete section 411 which limits the number of employees engaged in certain informational work in the Department.

Mr. ROBERTS. Yes, Mr. Chairman; we are proposing to delete section 411 since work done by informational employees in all the bureaus of the Department is a basic part of program administration. In nearly all cases the bureaus utilize their informational personnel in answering inquiries, correspondence, and for preparing policy memoranda, administrative issuances, and so forth, for use entirely within the Government. In addition, the informational material that reaches the public is ordinarily required by law or by the obligation to report on the use of public funds. As you know, the Organic Act of 1862 requires the Department to acquire and disseminate information on agriculture in the broadest sense of that term. Similar requirements are carried in other legislation. For example, the Agricultural Marketing Act of 1946 requires the Department to "collect and disseminate marketing information."

I have here a statement you may wish to place in the record on this matter. It shows by appropriation the amount carried in the 1953 budget for "press, popular publications, and radio and television services" to which section 411 was applicable. You will notice that the total was $286,951. The 10-percent reduction required by section 411 was $28,695, leaving a balance available for such services during 1953 of $258,256. Current estimates of 1953 obligations for the services to which section 411 are applicable total $233,871. Accordingly, obligations during the year will be substantially below the balance available after the application of section 411.

Mr. ANDERSEN. We will place the statement in the record here.

(The statement referred to is as follows:)

Press, popular publications, and radio and television services subject to section 411 of the Department of Agriculture Appropriation Act, 1953

Appropriation	Amount in 1953 budget	10 percent reduction required by sec. 411	Balance available for 1953
Agricultural Marketing Act, Agriculture	$6,668.00	$666.80	$6,001.20
Salaries and expenses, Bureau of Agricultural Economics: Economic investigations	1,000.00	100.00	900.00
Agricultural Research Administration:			
Salaries and expenses, Office of the Administrator	3,226.00	322.60	2,903.40
Salaries and expenses, Bureau of Human Nutrition and Home Economics	7,584.00	758.40	6,825.60
Salaries and expenses, Bureau of Animal Industry: Animal research	3,479.60	347.96	3,131.64
Salaries and expenses, Bureau of Dairy Industry	2,455.00	245.50	2,209.50
Salaries and expenses, Bureau of Agricultural and Industrial Chemistry	4,780.00	478.00	4,302.00
Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering: Plant, soil, and agricultural engineering research	8,555.00	855.50	7,699.50
Salaries and expenses, Bureau of Entomology and Plant Quarantine: Insect investigations	10,400.00	1,040.00	9,360.00
Salaries and expenses, Forest Service: National forest protection and management	32,053.00	3,205.30	28,847.70
Flood prevention, Agriculture	3,091.00	309.10	2,781.90
Salaries and expenses, Soil Conservation Service	60,778.00	6,077.80	54,700.20
Conservation and use of agricultural land resources, Production and Marketing Administration	760.00	76.00	684.00
Agricultural production programs, Production and Marketing Administration	493.00	49.30	443.70
Sugar Act program, Production and Marketing Administration	7,647.00	764.70	6,882.30
National school-lunch program, Production and Marketing Administration	11,068.00	1,106.80	9,961.20
Marketing services, Production and Marketing Administration	4,752.00	475.20	4,276.80
Salaries and expenses, Rural Electrification Administration	20,199.00	2,019.90	18,179.10
Salaries and expenses, Farmers' Home Administration	11,275.00	1,127.50	10,147.50
Salaries and expenses, Farm Credit Administration	3,350.00	[1] 335.00	3,015.00
Salaries and expenses, Extension Service	340.00	34.00	306.00
Salaries and expenses, Office of Foreign Agricultural Relations	18,760.00	1,876.00	16,884.00
Salaries and expenses, Office of Information, Agriculture	64,238.00	6,423.80	57,814.20
Total	286,951.60	28,695.16	258,256.44

[1] In addition, a reduction of $649.20 was applicable to the portion of this appropriation provided by assessments advanced by Farm Credit banks and corporations. Since these funds were not coverable into the general fund of the Treasury, assessments against member institutions of the Farm Credit system were reduced by the amount of $649.20.

RETURN OF FUNDS TO TREASURY UNDER SECTION 412

Mr. ANDERSEN. What about section 412? I notice you are also proposing to delete that section.

Mr. ROBERTS. Section 412 is a nonrecurring section which required the Department of Agriculture in 1953 to return to the surplus fund of the Treasury 10 percent of the funds included in the 1953 budget estimates for personal services above basic rates, transportation of things, and travel. The reductions contemplated by the section have been accomplished and the funds have been returned to the Treasury as intended by the Congress. I have here two tables indicating the effect of section 412 on funds available to the Department this fiscal year. The first is a summary table showing the amounts in the 1953 budget for the three objects of expenditure affected by section 412, the amounts applicable to functions and services exempted from its provisions, and the amounts to which the section actually applied. The second table reflects the adjustments made as a result of reductions in appropriations below the 1953 budget estimates, the amount returned to the Treasury under section 412, and the balance available in 1953. You will notice that under this section the Department returned to the surplus fund of the Treasury a total of $44,441.80.

Mr. ANDERSEN. The statements will be inserted in the record.

(The statements referred to are as follows:)

Amounts in the 1953 budget to which sec. 412 of the Department of Agriculture Appropriation Act, 1953, applies

Item	Personal services above basic rates	Transportation of things (other than mail)	Travel	Total
Amounts in 1953 budget	$1,804,593	$1,372,702	$13,677,766	$16,855,061
Less amounts exempted	1,792,657	1,234,985	12,860,186	15,887,828
Amounts to which sec. 412 applies	11,936	137,717	817,580	967,233

Amounts in the 1953 budget to which sec. 412 of the Department of Agriculture Appropriation Act, 1953, is applicable and amounts available after application of 10-percent reductions

Appropriation	Amounts to which sec. 412 applies (total)	10-percent reductions			Balance available for 1953
		Effected through reductions in appropriations below budget	Effected by return of funds to Treasury	Total	
	(1)	(2)	(3)	(4)	(5)
Salaries and expenses, Bureau of Agricultural Economics: Economic investigations	$31,041.00	$3,104.10		$3,104.10	$27,936.90
Salaries and expenses, Bureau of Human Nutrition and Home Economics	400.00		$40.00	40.00	360.00
Salaries and expenses, Bureau of Animal Industry: Animal diseases control and eradication	11,900.00		1,190.00	1,190.00	10,710.00
Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering: Plant, soils, and agricultural engineering research	170.00		17.00	17.00	153.00
Bureau of Entomology and Plant Quarantine: Insect and plant disease control	9,256.00	334.00	591.60	925.60	8,330.40
Control of forest pests: White pine blister rust	9,480.00	382.00	566.00	948.00	8,532.00
State and private forestry cooperation	2,916.00		291.60	291.60	2,624.40
Flood prevention	9,163.00	650.00	266.30	916.30	8,246.70
Production and Marketing Administration:					
Conservation and use of agricultural land resources	62,000.00		6,200.00	6,200.00	55,800.00
Agricultural production programs	41,700.00		4,170.00	4,170.00	37,530.00
Sugar Act program	45,104.00	4,051.00	459.40	4,510.40	40,593.60
National school lunch program	21,150.00		2,115.00	2,115.00	19,035.00
Administrative expenses, Commodity Credit Corporation	269,660.00	[1] 26,966.00		26,966.00	242,694.00
Operating and administrative expenses, Federal Crop Insurance Corporation	95,500.00	9,550.00		9,550.00	85,950.00
Salaries and expenses, Farmers' Home Administration	88,300.00		8,830.00	8,830.00	79,470.00
Salaries and expenses, Farm Credit Administration	9,450.00		945.00	945.00	8,505.00
Extension Service:					
Payments to States, Hawaii, Alaska, and Puerto Rico	31,730.00		3,173.00	3,173.00	28,557.00
Salaries and expenses	55,380.00		5,538.00	5,538.00	49,842.00
Total, Extension Service	87,110.00		8,711.00	8,711.00	78,399.00
Salaries and expenses, Office of the Secretary of Agriculture	86,919.00	5,824.90	2,867.00	8,691.90	78,227.10
Salaries and expenses, Office of the Solicitor	39,750.00		3,975.50	3,975.50	35,774.50
Salaries and expenses, Office of Foreign Agricultural Relations	24,200.00	2,420.00		2,420.00	21,780.00
Salaries and expenses, Office of Information	13,750.00		1,375.00	1,375.00	12,375.00
Salaries and expenses, Library	8,314.00		831.40	831.40	7,482.60
Total	967,233.00	53,282.00	43,441.80	96,723.80	870,509.20

[1] Includes a reduction of $7,890 which was not covered into the surplus funds of the Treasury but reverted to capital funds of the corporation in accordance with provisions of sec. 412.

Replacement of Aircraft, 1954

Mr. Andersen. Mr. Roberts, will you please discuss the proposed aircraft replacements for the Department of Agriculture as proposed in the 1954 budget.

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Mr. Roberts. Mr. Chairman, the 1954 estimates propose the replacement of seven aircraft for the Department. The first item is the Bureau of Entomology and Plant Quarantine for which authority is requested to replace two airplanes used for investigating and demonstrating special equipment for the suppression of destructive insects attacking crops and forested areas. As planes rapidly become obsolete and uneconomical to repair, and are subject to many mishaps, authority is requested for the replacement of two airplanes. The replacements will not be made, however, if it is found practical and economically feasible to retain the present equipment.

CONTROL OF FOREST PESTS

Two replacements for planes which are used under this item for detection surveys in forested areas are requested. The surveys are conducted to determine the status of forest pest infestation as a basis for control measures. The two replacements will be made only in the event it is found impracticable or uneconomical to make repairs to those planes already in operation.

FOREST SERVICE

It is believed that it will be necessary to replace 2 reconnaissance planes and 1 cargo plane in the fiscal year 1954. The planes to be replaced will be more than 6 years old and have flown thousands of hours. Since Forest Service planes are operated in large part over rough mountain terrain, they should not be continued in operation unless they are completely airworthy. The estimated cost of the two reconnaissance planes is $28,000, and of the cargo plane, $80,000.

Comparison of Revised Budget Estimates with Appropriations, 1953 and Original Budget Estimates, 1954

Mr. Andersen. Mr. Roberts, will you please have prepared and inserted into the record at this point, statements covering each appropriation item reflecting the appropriations in 1953, the original budget estimates for 1954, and the revised budget estimates, 1954.

(The statements requested are as follows:)

Agricultural Marketing Act

Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget estimate compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Marketing costs, margins, and efficiency	$826,400	$848,000	+$21,600	$813,500	−$12,900	−$34,500
2. Improvement and evaluation of product quality	1,230,300	1,338,000	+107,700	1,273,400	+43,100	−64,600
3. Improvements in market organization and facilities	1,842,933	1,902,600	+59,667	1,811,500	−31,433	−91,100
4. Collection, analysis, and dissemination of market data	1,155,300	1,217,000	+61,700	1,163,500	+8,200	−53,500
5. Overall administration	194,400	194,400		188,100	−6,300	−6,300
Total available or estimate	5,249,333	5,500,000	+250,667	5,250,000	+667	−250,000
Reduction pursuant to sec. 411	+667					
Grand total	5,250,000					

BUREAU OF AGRICULTURAL ECONOMICS

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget estimate compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Economic investigations:						
(a) Economics of production	$1,329,400	$1,431,000	+$101,600	$1,331,000	+$1,600	−$100,000
(b) Prices, income and marketing	840,200	840,200		840,200		
(c) Farm population and manpower	200,800	200,800		200,800		
Subtotal	2,370,400	2,472,000	+101,600	2,372,000	+1,600	−100,000
2. Crop and livestock estimates:						
(a) Field crop estimates and reports	991,200	1,125,800	+134,600	1,058,400	+67,200	−67,400
(b) Fruit, nut, and vegetable estimates and reports	428,100	456,400	+28,300	442,100	+14,000	−14,300
(c) Livestock and poultry estimates and reports	572,900	613,500	+40,600	591,700	+18,800	−21,800
(d) Dairy estimates and reports	355,100	370,700	+15,600	355,100		−15,600
(e) Agricultural price estimates and reports	606,400	631,900	+25,500	606,400		−25,500
(f) Farm surveys and employment estimates and reports	104,300	109,700	+5,400	104,300		−5,400
Subtotal	3,058,000	3,308,000	+250,000	3,158,000	+100,000	−150,000
Total available or estimate	5,428,400	5,780,000	+351,600	5,530,000	+101,600	−250,000
Reductions pursuant to secs. 411 and 412	+100					
Total appropriation	5,428,500					

Office of Administrator, Agricultural Research Administration

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Administration and overall direction of the Agricultural Research Administration	$341,677	$341,677		$341,677		
2. Multiple-purpose buildings and improvements, Agricultural Research Center		25,323	+$25,323	10,923	+$10,923	−$14,400
Total available or estimate	341,677	367,000	+25,323	352,600	+10,923	−14,400
Transfer in 1954 estimates to—						
"Salaries and expenses, Bureau of Human Nutrition and Home Economics"	+14,500					
"Salaries and expenses, Bureau of Animal Industry," animal research	+76,000					
"Salaries and expenses, Bureau of Dairy Industry"	+17,300					
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering," plant, soil, and agricultural engineering research	+92,800					
"Salaries and expenses, Bureau of Entomology and Plant Quarantine," insect investigations	+15,800					
"Salaries and expenses, Forest Service," forest research	+2,300					
"Salaries and expenses, Soil Conservation Service"	+10,800					
"Marketing services, Production and Marketing Administration"	+9,500					
Reduction pursuant to sec. 411	+323					
Total appropriation	581,000					

Research on strategic and critical agricultural materials

Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Research on domestic production of natural rubber	$225,300	$108,000	−$117,300	$108,000	−$117,300	
2. Investigations of domestic production of vegetable tannins	107,500	107,500		104,000	−3,500	−$3,500
3. Investigations on vegetable fats and oils	179,000	116,000	−63,000	116,000	−63,000	
4. Investigations on fiber plants	88,200	111,500	+23,300	111,500	+23,300	
Total available or estimate	600,000	443,000	−157,000	439,500	−160,500	−3,500

OFFICE OF EXPERIMENT STATIONS

Payments to States, Hawaii, Alaska, and Puerto Rico—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget estimate compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Hatch Act (Mar. 2, 1887)	$720,000	$720,000		$720,000		
2. Adams Act (Mar. 16, 1906)	720,000	720,000		720,000		
3. Prunell Act (Feb. 24, 1925)	2,880,000	2,880,000		2,880,000		
4. Bankhead-Jones Act, secs. 3 and 5, title I (act of June 29, 1935)	2,863,708	2,863,708		2,863,708		
5. Bankhead-Jones Act, secs. 9 and 11, title I of the act approved June 29, 1935, as amended by the act of Aug. 14, 1946 (Research and Marketing Act of 1946)	5,000,000	6,000,000	+$1,000,000	6,000,000	+$1,000,000	
6. Hawaii Act (May 16, 1928)	90,000	90,000		90,000		
7. Alaska Act (Feb. 23, 1929)	15,000	15,000		15,000		
8. Alaska Act (June 20, 1936) as amended by the act of Aug. 29, 1950 (Public Law 739)	62,500	75,000	+12,500	62,500		−$12,500
9. Puerto Rico Act (Mar. 4, 1931)	90,000	90,000		90,000		
Total available or estimate	12,441,208	13,453,708	+1,012,500	13,441,208	+1,000,000	−12,500

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Salaries and expenses, Office of Experiment Stations, Agricultural Research Administration:						
(a) Administration of grants and coordination of research with States	$226,900	$226,900		$226,900		
(b) Federal Experiment Station, Puerto Rico	153,100	153,100		153,100		
Total available or estimate	380,000	380,000		380,000		

Virgin Islands agricultural program—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Virgin Islands agricultural program (appropriation or estimate)	$100,000	$100,000		$100,000		

Research on agricultural problems of Alaska—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget estimate compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Research on agricultural problems of Alaska (appropriation or estimate)	$270,000	$270,000		$270,000		

BUREAU OF HUMAN NUTRITION AND HOME ECONOMICS

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Food and nutrition investigations	$578,242	$729,540	+$151,298	$572,240	−$6,002	−$157,300
2. Family economics investigations	449,960	449,960		446,760	−3,200	−3,200
3. Textiles and clothing investigations	224,200	224,200		224,200		
4. Housing and household equipment investigations	161,300	161,300		161,300		
Total available or estimate	1,413,702	1,565,000	+151,298	1,404,500	−9,202	−160,500
Transfer in 1954 estimates from "Salaries and expenses Office of Administrator, Agricultural Research Administration"	−14,500					
Reductions pursuant to secs. 411 and 412	+798					
Total appropriation	1,400,000					

Bureau of Animal Industry

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Animal research:						
(a) Animal husbandry	$2,194,352	$2,372,700	+$178,348	$2,352,700	+$158,348	−$20,000
(1) Swine husbandry investigations	(396,031)	(396,031)		(396,031)		
(2) Sheep and goat husbandry investigations	(359,928)	(411,776)	(+51,848)	(398,776)	(+38,848)	(−13,000)
(3) Horse and mule husbandry investigations	(4,856)	(4,856)		(4,856)		
(4) Beef cattle husbandry investigations	(492,660)	(580,660)	(+88,000)	(578,660)	(+86,000)	(−2,000)
(5) Dual-purpose cattle husbandry investigations	(110,492)	(139,992)	(+29,500)	(136,992)	(+26,500)	(−3,000)
(6) Poultry husbandry investigations	(734,000)	(738,500)	(+4,500)	(737,500)	(+3,500)	(−1,000)
(7) Fur animal husbandry investigations	(96,385)	(100,885)	(+4,500)	(99,885)	(+3,500)	(−1,000)
(b) Infectious and non-infectious diseases of animals	1,135,758	1,400,758	+265,000	1,235,258	+99,500	−165,500
(1) Cattle	(515,655)	(555,655)	(+40,000)	(552,655)	(+37,000)	(−3,000)
(2) Swine	(322,066)	(387,066)	(+65,000)	(347,066)	(+25,000)	(−40,000)
(3) Sheep and goats	(34,644)	(34,644)		(34,644)		
(4) Horses	(10,448)	(10,448)		(10,448)		
(5) Poultry	(215,118)	(375,118)	(+160,000)	(252,618)	(+37,500)	(−122,500)
(6) Fur animals	(37,827)	(37,827)		(37,827)		
(c) Parasites and parasitic diseases of animals	501,542	586,542	+85,000	601,542	+100,000	+15,000
(1) Cattle	(140,742)	(178,342)	(+37,600)	(178,342)	(+37,600)	
(2) Swine	(64,600)	(92,000)	(+27,400)	(107,000)	(+42,400)	(+15,000)
(3) Sheep and goats	(74,700)	(94,700)	(+20,000)	(94,700)	(+20,000)	
(4) Poultry	(36,000)	(36,000)		(36,000)		
(5) Fur animals	(17,000)	(17,000)		(17,000)		
(6) Treatments	(124,000)	(124,000)		(124,000)		
(7) Miscellaneous parasite investigations	(44,500)	(44,500)		(44,500)		
Subtotal	3,831,652	4,360,000	+528,348	4,189,500	+357,848	−170,500
2. Animal disease control and eradication:						
(a) Eradicating tuberculosis and brucellosis	6,149,030	6,149,030		5,609,530	−539,500	−539,500
(b) Eradicating scabies	173,200	208,200	+35,000	173,200		−35,000
(c) Eradicating cattle ticks	289,250	383,440	+94,190	383,440	+94,190	
(d) Control of hog cholera and related swine diseases	32,940	32,940		32,940		
(e) Determining the existence of diseases in the field	130,440	130,440		130,440		
(f) Import-export inspection and quarantine	656,390	746,390	+90,000	746,390	+90,000	
(g) Supervision over interstate movement of livestock	866,620	866,620		866,620		

(h) Control of manufacture, importation, shipment and marketing of viruses serums, toxins, etc	507,940	537,940	+30,000	537,940	+30,000	
Subtotal	8,805,810	9,055,000	+249,190	8,480,500	−325,310	−574,500
3. Meat inspection:						
(a) Meat inspection operations at packing plants under the Federal meat inspection service	13,865,700	13,865,700		13,865,700		
(b) Determinations of adulterations and other objectionable conditions in meat and meat food products by laboratory analysis	189,800	189,800		189,800		
(c) Inspection of imported meats and meat food products	70,500	70,500		70,500		
(d) Bacteriological, pathological, and zoological determinations relating to meat inspection	34,000	34,000		34,000		
Subtotal	14,160,000	14,160,000		14,160,000		
Total available or estimate	26,797,462	27,575,000	+777,538	26,830,000	+32,538	−745,000
Transfer in 1954 estimates from—						
"Salaries and expenses, Office of Administrator, Agriculture Research Administration"	−76,000					
"Eradication of foot-and-mouth and other contagious diseases of animals and poultry"	−330,000					
Reductions pursuant to secs. 411 and 412	+1,538					
Total appropriation or estimate	26,393,000					

Bureau of Dairy Industry

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget estimate compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Dairy cattle breeding, feeding, management	$566,400	$566,400		$566,400		
2. Nutrition and physiology	376,600	376,600		376,600		
3. Dairy herd improvement	296,355	421,300	+$124,945	296,355		−$124,945
4. Dairy products research	326,700	426,700	+100,000	396,145	+$69,445	−30,555
5. Administration of the Process Butter Act	24,000	24,000		24,000		
Total available or estimate	1,590,055	1,815,000	+224,945	1,659,500	+69,445	−155,500
Transfer in 1954 estimates from—						
"Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−17,300					
Reduction pursuant to sec. 411	+245					
Total appropriation	1,573,000					

Bureau of Agricultural and Industrial Chemistry

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Cereal and forage crop utilization investigations	$1,137,893	$1,178,021	+$40,128	$1,178,021	+$40,128	
2. Cotton and other fiber utilization investigations	1,167,559	1,367,559	+200,000	1,282,559	+115,000	−$85,000
3. Fruit and vegetable utilization investigations	1,958,039	2,138,389	+180,350	2,013,389	+55,350	−125,000
4. Oilseed utilization investigations	1,043,786	1,043,786		1,043,786		
5. Sugar and special plants utilization investigations	934,984	934,984		934,984		
6. Poultry, dairy and animal products utilization investigations	1,016,284	1,096,284	+80,000	1,056,284	+40,000	−40,000
7. Agricultural residues utilization investigations	240,977	240,977		240,977		
Total available or estimate	7,499,522	8,000,000	+500,478	7,750,000	+250,478	−250,000
Reduction pursuant to Section 411	+478					
Total appropriation	7,500,000					

Bureau of Plant Industry, Soils, and Agricultural Engineering

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Plant, soil, and agricultural engineering research:						
(a) Field crop investigations	$3,778,000	$4,142,000	+$364,000	$4,018,000	+$240,000	−$124,000
(1) Cereal production, breeding, disease, and quality investigations	(1,028,770)	(1,028,770)		(1,028,770)		
(2) Cotton and leaf and stem fiber crop production investigations	(625,260)	(675,260)	(+50,000)	(665,260)	(+40,000)	(−10,000)
(3) Forage crop production, breeding, disease, and quality investigations	(832,130)	(896,130)	(+64,000)	(832,130)		(−64,000)
(4) Rubber production, breeding, and disease investigations	(34,230)	(34,230)		(34,230)		
(5) Sugar-plant production, breeding, disease, and quality investigations	(556,540)	(756,540)	(+200,000)	(706,540)	(+150,000)	(−50,000)
(6) Tobacco production, breeding, disease, and quality investigations	(341,590)	(341,590)		(341,590)		
(7) Drug, oil, insecticide, tannin, flavoring, and special product plant investigations	(101,390)	(101,390)		(101,390)		
(8) Hop production, breeding, disease, and quality investigations	(30,070)	(30,070)		(30,070)		
(9) Weed control investigations	(228,020)	(278,020)	(+50,000)	(278,020)	(+50,000)	
(b) Horticultural crop investigations	3,273,000	3,398,000	+125,000	3,363,000	+90,000	−35,000
(1) Deciduous fruit investigations	(470,200)	(470,200)		(470,200)		
(2) Citrus, avocado, and other subtropical fruit investigations	(175,540)	(300,540)	(+125,000)	(265,540)	(+90,000)	(−35,000)
(3) Nut investigations	(298,430)	(298,430)		(298,430)		
(4) Vegetable investigations	(633,610)	(633,610)		(633,610)		
(5) Potato investigations	(189,340)	(189,340)		(189,340)		
(6) Plants for landscaping and ornamental purposes and farm windbreaks, investigations of	(271,590)	(271,590)		(271,590)		
(7) Methods of handling, transportation and storage, and market diseases of horticultural crops, investigations of	(451,410)	(451,410)		(451,410)		
(8) Plant introduction, testing, and maintenance of basic stocks	(431,670)	(431,670)		(431,670)		
(9) Investigations to reduce crop damage caused by nematodes	(134,910)	(134,910)		(134,910)		
(10) Basic studies of plant growth and development	(91,590)	(91,590)		(91,590)		
(11) Research on plant disease epidemics and the identification of disease organisms	(124,710)	(124,710)		(124,710)		
(12) Citrus laboratory at Orlando, Fla. (construction of)	499,000	599,000	+100,000	579,000	+80,000	−20,000
(c) Forest disease investigations	(499,000)	(599,000)	(+100,000)	(579,000)	(+80,000)	(−20,000)
(1) Diseases of forest and shade trees and forest products	2,696,000	2,796,000	+100,000	2,780,000	+84,000	−16,000
(d) Soils, fertilizers, and irrigation agriculture investigations	(2,214,210)	(2,214,210)		(2,214,210)		
(1) Soil improvement, management, and irrigation agriculture investigations	(346,270)	(346,270)		(346,270)		
(2) Fertilizers and their improvement	(135,520)	(235,520)	(+100,000)	(219,520)	(+84,000)	(−16,000)
(3) Investigations of the relations of soils to plant, animal, and human nutrition	1,189,928	1,230,000	+40,072	1,230,000	+40,072	
(e) Agricultural engineering investigations	(391,118)	(431,190)	(+40,072)	(431,190)	(+40,072)	
(1) Farm machinery						

(391, 118)	(431, 190)	(+40, 072)	1, 230, 000 (431, 190)	(+84, 000) +40, 072 (+40, 072)	(−16, 000)	
(2) Farm structures and related investigations	(259, 240)	(259, 240)		(259, 240)		
(3) Mechanical processing of farm products	(310, 720)	(310, 720)		(310, 720)		
(4) Farm electrification investigations	(228, 850)	(228, 850)		(228, 850)		
Subtotal	11, 435, 928	12, 165, 000	+729, 072	11, 970, 000	+534, 072	−195, 000
2. National Arboretum:						
(a) Operation and maintenance	111, 000	187, 000	+76, 000	162, 000	+51, 000	−25, 000
(b) Development of physical facilities	38, 000	38, 000		38, 000		
Subtotal	149, 000	225, 000	+76, 000	200, 000	+51, 000	−25, 000
Unobligated balance						
Total available or estimate	11, 584, 928	12, 390, 000	+805, 072	12, 170, 000	+585, 072	−220, 000
Transfer in 1954 estimates from: "Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−92, 800					
Transfer in 1954 estimates to—						
"Salaries and expenses, Soil Conservation Service"	+116, 000					
"Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration," insect investigations	+5, 000					
Reductions pursuant to secs. 411 and 412	+872					
Total appropriation or estimate	11, 614, 000					

Bureau of Entomology and Plant Quarantine

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Insect investigations:						
(a) Insects affecting food, feed, and fiber crops	$2,690,250	$2,991,500	+$301,240	$2,878,400	+$188,140	−$113,100
(1) Fruit insects	(837,700)	(837,700)		(737,700)	(−100,000)	(−100,000)
(2) Truck crop and garden insects	(465,500)	(465,500)		(465,500)		
(3) Cereal and forage insects	(563,100)	(563,100)		(563,100)		
(4) Cotton insects	(284,100)	(384,100)	(+100,000)	(384,100)	(+100,000)	
(5) Bee culture and biological control	(358,260)	(459,500)	(+101,240)	(446,400)	(+88,140)	(−13,100)
(6) Stored product insects	(181,600)	(281,600)	(+100,000)	(281,600)	(+100,000)	
(b) Insects affecting forests and forest products	465,600	465,600		465,600		
(c) Insects affecting man and animals	239,400	239,400		239,400		
(d) Plant pest control investigations	493,500	493,500		493,500		
(1) Identification and classification of insects	(204,300)	(204,300)		(204,300)		
(2) Insecticide and fungicide	(289,200)	(289,200)		(289,200)		
Subtotal [1]	3,888,760	4,190,000	+301,240	4,076,900	+188,140	−113,100
2. Insect and plant disease control:						
(a) Japanese beetle control	482,700	482,700		150,000	−332,700	−332,700
(b) Sweetpotato weevil control	238,000	238,000		49,900	−188,100	−188,100
(c) Citrus blackfly and Mexican fruitfly control	226,500	226,500		226,500		
(d) Phony peach and peach mosaic eradication	156,100	156,100			−156,100	−156,100
(e) Barberry eradication	658,000	658,000		658,000		
(f) Pink bollworm and Thurberia weevil control	1,214,900	1,214,900		1,214,900		
(g) Golden nematode control	344,900	344,900		344,900		
(h) White-fringed beetle control	682,400	682,400		682,400		
(i) Hall scale eradication	117,200	117,200		117,200		
(j) Gypsy and brown-tail moth control	526,600	526,600		526,600		
(k) Grasshopper and Mormon cricket control	506,108	506,700	+592	506,700	+592	
(l) Insect detection and advisory service	386,000	386,000		386,000		
Subtotal [2]	5,599,408	5,600,000	+592	4,923,100	−676,308	−676,900
3. Plant quarantines	2,700,000	2,800,000	+100,000	2,800,000	+100,000	
Total available or estimate	12,188,168	12,590,000	+401,832	11,800,000	−388,168	−790,000

Transfer in 1954 estimates from—	
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultura Engineering, Agricultural Research Administration," plant, soil, and agricultural engineering research	−5,000
"Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−15,800
Reductions pursuant to secs. 411 and 412	+1,632
Total appropriation	12,169,000

[1] Excludes $73,000 transferred from "Insect and plant disease control" for research on pink bollworm and biological control, 1953 only.
[2] Includes $73,000 transferred to "Insect investigation." See note 1 above.

Control of Forest Pests

Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Forest Pest Control Act:						
(a) Detection and appraisal surveys	$430,000	$430,000		$430,000		
(b) Operations to control destructive forest pests on lands irrespective of ownership	[1] 2,420,000	2,420,000		2,420,000		
(c) Contingency fund	500,000	500,000		500,000		
Subtotal	[1] 3,350,000	3,350,000		3,350,000		
2. White pine blister rust:						
(a) Leadership, coordination, and technical direction of white pine blister rust control (Entomology and Plant Quarantine)	681,482	682,000	+$518	682,000	+$518	
(b) Blister rust control operations on the national forests (Forest Service)	1,750,000	2,150,000	+400,000	1,750,000		−$400,000
(c) Blister rust control on lands under jurisdiction of Interior Department (Department of the Interior)	504,952	505,000	+48	505,000	+48	
(d) Cooperative blister rust control on State and privately owned lands (Entomology and Plant Quarantine)	363,000	663,000	+300,000	363,000		−300,000
Subtotal	3,299,434	4,000,000	+700,566	3,300,000	+566	−700,000
Total available or estimate	6,649,434	7,350,000	+700,566	6,650,000	+566	−700,000
Reduction pursuant to sec. 412	+566					
Total appropriation or estimate	6,650,000					

[1] Includes $172,800 transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," for the control and eradication of vesicular exanthema of swine, in connection with which the Secretary of Agriculture declared a state of emergency on Aug. 1, 1952.

FOREST SERVICE

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. National forest protection and management:						
(a) Resource protection and use	$27,686,795	$28,562,700	+$875,905	$28,056,795	+$370,000	−$505,905
(1) Timber resource management	(6,080,000)	(6,455,000)	(+375,000)	(6,420,000)	(+340,000)	(−35,000)
(2) Range resource management	(1,020,000)	(1,020,000)		(1,012,500)	(−7,500)	(−7,500)
(3) Wildlife resource management	(160,000)	(160,000)		(160,000)		
(4) Water resource management	(80,000)	(80,000)		(80,000)		
(5) Sanitation and care of public campgrounds	(690,000)	(940,000)	(+250,000)	(890,000)	(+200,000)	(−50,000)
(6) Management of other land uses	(710,000)	(710,000)		(702,500)	(−7,500)	(−7,500)
(7) Maintenance of improvements	(2,700,000)	(2,700,000)		(2,700,000)		
(8) Forest fire protection	(8,276,795)	(8,527,700)	(+250,905)	(8,247,295)	(−29,500)	(−280,405)
(9) Construction of improvements	(280,000)	(280,000)		(272,000)	(−8,000)	(−8,000)
(10) Forest rangers, forest supervisors, and other employees engaged in overall operation and protection	(7,690,000)	(7,690,000)		(7,572,500)	(−117,500)	(−117,500)
(b) Resource development	1,860,000	1,910,000	+50,000	1,475,500	−384,500	−434,500
(1) Reforestation	(1,110,000)	(1,110,000)		(860,500)	(−249,500)	(−249,500)
(2) Range revegetation	(750,000)	(800,000)	(+50,000)	(615,000)	(−135,000)	(−185,000)
(c) Additional measures to accelerate flood prevention	372,566	781,000	+408,434	288,405	−84,161	−492,595
Subtotal	29,919,361	31,253,700	+1,334,339	29,820,700	−98,661	−1,433,000
2. Fighting forest fires	6,000,000	6,000,000		6,000,000		
3. Forest research:						
(a) Forest and range management investigations	3,255,134	3,330,134	+75,000	3,290,134	+35,000	−40,000
(1) Experimental forests and ranges	(3,122,030)	(3,172,030)	(+50,000)	(3,157,030)	(+35,000)	(−15,000)
(2) Fire control investigations	(133,104)	(158,104)	(+25,000)	(133,104)		(−25,000)
(b) Forest products investigations	1,231,318	1,281,318	+50,000	1,231,318		−50,000
(1) Forest Products Laboratory	(1,055,143)	(1,055,143)		(1,055,143)		
Conditioning and protection of wood products	[280,025]	[280,025]		[280,025]		
Properties investigations and wood products development	[372,755]	[372,755]		[372,755]		
Pulp and paper	[162,875]	[162,875]		[162,875]		
Chemically converted and derived products investigation	[239,488]	[239,488]		[239,488]		
(2) Forest utilization service	(176,175)	(226,175)	(+50,000)	(176,175)		(−50,000)
(c) Forest resources investigations	915,848	915,848		907,848	−8,000	−8,000
(1) Forest survey	(815,973)	(815,973)		(815,973)		
(2) Economic investigations	(99,875)	(99,875)		(91,875)	(−8,000)	(−8,000)

(*d*) Additional measures to accelerate flood prevention		36,000	+35,000			−35,000
Subtotal	5,402,300	5,562,300	+160,000	5,429,300	+27,000	−133,000
Total available or estimate	41,321,661	42,816,000	+1,494,339	41,250,000	−71,661	−1,566,000
Transfer in 1954 estimates from—						
"Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−2,300					
"Flood prevention, Agriculture"	−372,566					
Reduction pursuant to sec. 411	+3,205					
Total appropriation	40,950,000					

Forest Service

Forest roads and trails—Project statement (reflecting available funds)

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Construction of roads and trails	$4,732,956	$4,100,000	−$632,956	$14,099,042	+$9,366,086	+$9,999,042
2. Maintenance of roads and trails	7,197,000	6,900,000	−297,000	6,900,000	−297,000	
3. Additional measures to accelerate flood prevention	71,958	267,000	+195,042	21,958	−50,000	−245,042
Total available or estimate	12,001,914	11,267,000	−734,914	21,021,000	+9,019,086	+9,754,000
Prior year balance available	−929,956					
Transfer in 1954 estimates from "Flood prevention, Agriculture"	−71,958					
Total appropriation	11,000,000					

Acquisition of lands for national forests, Weeks Act—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Acquisition of lands for national forests	$75,000	$75,000			−$75,000	−$75,000

Acquisition of lands from national forests receipts—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Uinta and Wasatch National Forests (Utah only)	$39,830	$39,830			−$39,830	−$39,830
2. Cache National Forest (Utah only)	10,000	10,000			−10,000	−10,000
3. San Bernardino-Cleveland National Forests (Riverside County, Calif., only)	22,000	22,000			−22,000	−22,000
4. Nevada-Toiyabe National Forests (Nev.)	10,000	10,000			−10,000	−10,000
5. Angeles National Forest (Calif.)	20,000	20,000			−20,000	−20,000
6. Cleveland National Forest (San Diego County, Calif., only)	5,000	5,000			−5,000	−5,000
7. Sequoia National Forest (Calif.)	34,850	34,850			−34,850	−34,850
Total appropriation or estimate	141,680	141,680			−141,680	−141,680

State and private forestry cooperation—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Cooperation in forest fire control	$9,449,500	$9,449,500		$9,449,500		
2. Cooperation in forest tree planting	447,061	447,061		447,000	−$61	−$61
3. Cooperation in forest management and processing	633,904	633,904		633,800	−104	−104
4. Cooperation in farm forestry extension	107,543	107,835	+$292	88,000	−19,543	−19,835
5. General forestry assistance	154,700	154,700		129,700	−25,000	−25,000
6. Additional measures to accelerate flood prevention	71,776	185,000	+113,224	16,000	−55,776	−169,000
Total available or estimate	10,864,484	10,978,000	+113,516	10,764,000	−100,484	−214,000
Transfer in 1954 estimates from "Flood Prevention, Agriculture"	−71,776					
Reduction pursuant to sec. 412	+292					
Total appropriation	10,793,000					

Cooperative range improvements—Project statement (reflecting available funds)

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Construction and maintenance of range improvements	$699,870	$700,000	+$130	$700,000	+$130	
Prior year balance available	−558,870	−169,000	+389,870	−169,000	+389,870	
Balance available in subsequent year	+169,000		−169,000		−169,000	
Total appropriation or estimate	310,000	531,000	+221,000	531,000	+221,000	

Acquisition of lands for national forests, Superior National Forest—Project statement (reflecting available funds)

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Acquisition of lands for national forests, Superior National Forest, Minn.	$346,383		−$346,383		−$346,383	
Prior year balance available	−196,383		+196,383		+196,383	
Total appropriation or estimate	150,000		−150,000		−150,000	

Flood Prevention, Agriculture

Project statement (reflecting available funds)

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Preliminary examinations and surveys	$694,118	$1,000,000	+$305,882	$500,000	−$194,118	−$500,000
2. Measures primarily for flood prevention (works of improvement):						
(a) Authorized under the flood control acts	5,222,116	11,248,000	+6,025,884	6,286,329	+1,064,213	−4,961,671
(b) Authorized under legislation other than the flood control acts		2,733,000	+2,733,000			−2,733,000
3. General basin investigations in the Arkansas-White-Red Rivers, Colorado River, and New England-New York areas	178,671	500,000	+321,329	178,671		−321,329
Transferred to—						
"Salaries and expenses, Office of the Secretary of Agriculture"	24,850	35,000	+10,150	17,000	−7,850	−18,000
"Salaries and expenses, Office of the Solicitor, Department of Agriculture"	18,426	50,000	+31,574	18,000	−426	−32,000
Total available or estimate	6,138,181	15,566,000	+9,427,819	7,000,000	+861,819	−8,566,000
1952 balance available in 1953	−418,348					
Transfer in 1954 estimates to—						
"Salaries and expenses, Forest Service"	+372,566					
"Forest roads and trails, Forest Service"	+71,958					
"State and private forestry cooperation, Forest Service"	+71,776					
"Salaries and expenses, Soil Conservation Service"	+1,513,292					
Reductions pursuant to secs. 411 and 412	+575					
Total appropriation	7,780,000					

Soil Conservation Service

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Development and improvement of conservation practices and techniques	$577,180	$777,180	+$200,000	$677,180	+$100,000	−$100,000
2. Assistance to soil conservation districts and other cooperators	57,381,022	59,466,300	+2,085,278	54,990,300	−2,390,722	−4,476,000
(a) Planning, application, and maintenance of conservation practices	(55,681,022)	(57,741,300)	(+2,060,278)	(54,565,300)	(−1,115,722)	(−3,176,000)
(b) Operation of nurseries for conservation plant material	(1,700,000)	(1,725,000)	(+25,000)	(425,000)	(−1,275,000)	(−1,300,000)
3. Development and management of land utilization projects	1,248,000	1,248,000		1,248,000		
4. Additional measures to accelerate flood prevention	1,513,292	3,190,000	+1,676,708	1,600,000	+86,708	−1,590,000
5. Classification and mapping of soils	1,124,520	1,124,520		1,124,520		
6. Emergency channel restoration in flood-stricken area	5,766,930		−5,766,930		−5,766,930	
Total available or estimate	67,610,944	65,806,000	−1,804,944	59,640,000	−7,970,944	−6,166,000
Transfer in 1954 estimates from—						
"Salaries and expenses, Office of Administration, Agricultural Research Administration"	−10,890					
"Flood prevention, Agriculture"	−1,513,292					
"Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration"	−116,000					
Balance available in 1953	−5,766,930					
Reduction pursuant to sec. 411	+6,078					
Total appropriation	60,210,000					

Water conservation and utilization projects—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Land development	$411,738	$639,486	+$227,748	$639,486	+$227,748	
2. Land management, settlement, and technical guidance	45,514	45,514		45,514		
Total available or estimate	457,252	685,000	+227,748	685,000	+227,748	
Prior year balance available	−31,752					
Total appropriation	425,500					

Payments due counties—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Payments due counties	$385,000	$385,000		$412,500	+$27,500	+$27,500
Total appropriation	385,000	385,000		412,500	+27,500	+27,500

Agricultural Conservation Program

Conservation and use of agricultural land resources—Project statement

Project	On a program basis					
	1952 program (fiscal year 1953) estimated	1953 program (fiscal year 1954) original budget estimate	Change 1953 program, original budget estimate compared with 1952 program (fiscal year 1954 compared with 1953)	1953 program revised budget estimate (fiscal year 1954)	Change 1953 program, 1954 fiscal year revised budget estimate compared with—	
					1952 program (1953 fiscal year)	1953 program original budget estimate (fiscal year 1954)
Agricultural conservation program:						
Conservation aids to farmers	$219,832,100	$213,332,100	−$6,500,000	$213,332,100	−$6,500,000	
Other program expenses and reserve for contingencies	4,396,858	4,396,900	+42	1,088,440	−3,308,418	−$3,308,460
Program funds used for operating expenses for contacts with farmers to adopt more permanent type practices	5,516,900		−5,516,900		−5,516,900	
PMA county committee operating expenses	21,855,618	27,372,476	+5,516,858	21,505,176	−350,442	−5,867,300
National and State office operating expenses	4,898,524	4,898,524		4,673,524	−225,000	−225,000
Total, above items	256,500,000	250,000,000	−6,500,000	240,599,240	−15,900,760	−9,400,760
Adjustments	−4,745,858		+4,745,858	−28,617,240	−23,871,382	−28,617,240
Total, agricultural conservation program	251,754,142	250,000,000	−1,754,142	211,982,000	−39,772,142	−38,018,000
Additional measures for acceleration of flood prevention		2,436,000	+2,436,000			−2,436,000
Total appropriation or estimate	251,754,142	252,436,000	+681,858	211,982,000	−39,772,142	−40,454,000

Agricultural adjustment programs—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Acreage allotments and marketing quotas	$10,500,000	$6,000,000	−$4,500,000	$35,250,000	+$24,750,000	+$29,250,000
2. Production goals and assistance to farmers	1,842,531	1,196,750	−645,781	350,000	−1,492,531	−846,750
3. Determination of cotton acreage	803,250	803,250			−803,250	−803,250
Total available or estimated	13,145,781	8,000,000	−5,145,781	35,600,000	+22,454,219	+27,600,000
Reductions pursuant to secs. 411 and 412	+4,219					
Proposed transfers from other appropriations	−3,150,000					
Total appropriation	10,000,000					

Sugar Act program—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Payments to sugar producers:						
(a) Continental beet area	$32,706,776	$28,550,000	−$4,156,776	$24,014,224	−$8,692,552	−$4,535,776
(b) Continental cane area	5,815,000	7,490,000	+1,675,000	7,464,000	+1,649,000	−26,000
(c) Offshore cane area	24,978,224	27,111,224	+2,133,000	26,723,000	+1,744,776	−388,224
Total payments	63,500,000	63,151,224	−348,776	58,201,224	−5,298,776	−4,950,000
2. Operating expenses	1,498,776	1,548,776	+50,000	1,443,776	−55,000	−105,000
Total available or estimate	64,998,776	64,700,000	−298,776	59,645,000	−5,353,776	−5,055,000
Reductions pursuant to secs. 411 and 412	+1,224					
Total appropriation	65,000,000					

National school lunch program—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Food assistance	$81,925,000	$81,925,000		$73,645,000	−$8,280,000	−$8,280,000
2. Operating expenses	1,439,269	1,440,000	+$731	1,355,000	−84,269	−85,000
Total available or estimate	83,364,269	83,365,000	+731	75,000,000	−8,364,269	−8,365,000
Reductions pursuant to secs. 411 and 412	+3,222					
Total appropriation	83,367,491					

Salaries and expenses, marketing services—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Market news service:						
Cold-storage reports	$60,800	$60,800		$60,800		
Cotton and cottonseed	352,100	346,100	−$6,000	352,100		+$6,000
Dairy and poultry products	342,800	342,800		333,800	−$9,000	−9,000
Fruits and vegetables	760,900	760,900		750,900	−10,000	−10,000
Grain, hay, feed, etc	105,900	105,900		108,900	+3,000	+3,000
Leased-wire service	258,300	258,300		267,300	+9,000	+9,000
Livestock, meats, and wool	758,800	752,100	−6,700	721,750	−37,050	−30,350
Molasses and sugarcane sirups	21,200	21,200		22,800	+1,600	+1,600
Naval stores	19,000	19,000		19,000		
Tobacco	179,900	179,900		179,900		
Total	2,859,700	2,847,000	−12,700	2,817,250	−42,450	−29,750
2. Inspection, grading, and classing, and standardization:						
Cotton and cottonseed	1,810,525	1,724,925	−85,600	2,057,000	+246,475	+332,075
Dairy and poultry products	194,000	200,000	+6,000	190,000	−4,000	−10,000
Fruits and vegetables	611,000	676,000	+65,000	436,000	−175,000	−240,000
Grain (includes Grains Standards Act)	1,462,350	1,529,325	+66,975	1,464,350	+2,000	−64,975
Livestock, meats, and wool	108,500	118,500	+10,000	93,500	−15,000	−25,000
Naval stores	35,800	34,800	−1,000	43,300	+7,500	+8,500
Rice, hay, beans, etc	96,250	96,250		96,250		
Liquid sugar, sirups, and molasses	16,500	16,500		18,300	+1,800	+1,800
Tobacco	1,546,000	1,546,000		1,546,000		
Total	5,880,925	5,942,300	+61,375	5,944,700	+63,775	+2,400
3. Improvement of marketing practices:						
Cotton and cottonseed	228,000	228,000		228,000		
Dairy and poultry products	74,500	77,500	+3,000	77,450	+2,950	−50
Fruits and vegetables	32,500	42,500	+10,000	32,500		−10,000
Livestock, meats, and wool	9,900	14,000	+4,100	7,000	−2,900	−7,000
Market storage, and transportation facilities	60,000	60,000		60,000		
Total	404,900	422,000	+17,100	404,950	+50	−17,050
4. Freight rates for farm products	158,400	175,000	+16,600	148,400	−10,000	−26,600

5. Regulatory activities:						
Federal Seed Act	246,000	246,000		246,000		
Insecticide Act	582,900	580,500	−2,400	583,500	+600	+3,000
Naval stores and tobacco export permits	9,200	9,200		9,200		
Packers and Stockyards Act	679,000	695,000	+16,000	667,000	−12,000	−28,000
Standard Container Acts	10,800	10,800		10,800		
United States Warehouse Act	642,200	672,200	+30,000	642,200		−30,000
Total	2,170,100	2,213,700	+43,600	2,158,700	−11,400	−55,000
Total available or estimate	11,474,025	11,600,000	+125,975	11,474,000	−25	−126,000
Transfer in 1951 estimate from "Salaries and expenses, Office of Administrator, Agricultural Research Administration"	−9,500					
Reduction pursuant to sec. 411	+475					
Total appropriation	11,465,000					

Repayment to Commodity Credit Corporation, Marketing Services—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
For reimbursement to CCC for costs incurred in fiscal year 1952 for inspecting and grading tobacco and classing cotton		$818,505	+$818,505	$768,505	+$768,505	−$50,000
Total appropriation or estimate		818,505	818,505	768,505	+768,505	−50,000

Removal of surplus agricultural commodities—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Direct purchases	$55,000,000	$55,000,000		$55,000,000	0	
2. Encouragement of exportation	14,529,000	14,529,000		14,529,000	0	
3. Diversion to byproducts and new uses	1,500,000	1,500,000		1,500,000	0	
4. Surplus removal operating expenses	2,471,000	2,471,000		1,861,506	−$609,494	−$609,494
5. Marketing agreements and orders	1,500,000	1,500,000		1,237,868	−262,132	−262,132
Total obligations	75,000,000	75,000,000	0	74,128,374	−871,626	−871,626
Returned to Treasury	27,236,056	97,800,000	+$70,563,944	98,671,626	+71,435,570	+871,626
Balance available in subsequent year	300,000,000	300,000,000	0	300,000,000	0	
Total available or estimate	402,236,056	472,800,000	+70,563,944	472,800,000	+70,563,944	
Prior year balance available	221,195,744	300,000,000	−78,804,256	300,000,000	−78,804,256	
Total appropriation or estimate	181,040,312	172,800,000	−8,240,312	172,800,000	−8,240,312	

Perishable Agricultural Commodities Act fund—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Licensing dealers and handling complaints under the Perishable Agricultural Commodities Produce Agency, and Export Apple and Pear Acts	$418,200	$425,000	+$6,800	$428,500	+$10,300	+$3,500
Prior year balance available	−243,602	−208,602	+35,000	−215,402	+28,200	−6,800
Balance available in subsequent year	+215,402	+173,602	−41,800	+186,902	−28,500	+13,300
Total appropriation	390,000	390,000	0	400,000	+10,000	+10,000

Administrative expenses, Commodity Credit Corporation—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Price support program	$15,163,500	$14,948,500	−$215,000	$16,048,500	+$885,000	+$1,100,000
2. Storage facilities program	1,050,000	1,050,000		1,050,000		
3. Commodity export program	1,500	1,500		1,500		
4. Subsidy program (in liquidation)	3,000		−3,000		−3,000	
Subtotal	16,218,000	16,000,000	−218,000	17,100,000	+882,000	+1,100,000
Contingency reserve or unobligated balance	274,110	1,850,000	+1,575,890		−274,110	−1,850,000
Total available or estimate	16,492,110	17,850,000	+1,357,890	17,100,000	+607,890	−750,000
Reduction pursuant to sec. 412	+7,890					
Total appropriation	16,500,000					

Commodity Exchange Authority

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Licensing	$43,500	$43,500		$43,500		
2. Supervision of futures trading	390,000	390,000		390,000		
3. Audits	143,000	143,000		143,000		
4. Investigations	118,500	118,500		118,500		
5. Establishment and review of speculative limits	30,000	30,000		5,000	−$25,000	−$25,000
Total available or estimate	725,000	725,000		700,000	−25,000	−25,000

Federal Crop Insurance Corporation

Operating and administrative expenses—project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Insurance and actuarial structure	$842,670	$844,400	+$1,730	$803,500	−$39,170	−$40,900
2. Contract sales and servicing	2,979,180	3,134,600	+155,420	2,682,800	−296,380	−451,800
3. Commissions	642,600	603,500	−39,100	603,500	−39,100	
4. Premium collections	946,450	925,000	−21,450	909,530	−36,920	−15,470
5. Crop inspections and loss adjustments	2,036,900	2,440,500	+403,600	2,350,670	+313,770	−89,830
6. Reserve resulting from fewer number of crop year 1952 contracts requiring servicing in fiscal year 1953 than originally estimated and other savings	[1] 1,052,200		−1,052,200		−1,052,200	
Total appropriation or estimate	8,500,000	7,948,000	−552,000	7,350,000	−1,150,000	−598,000

[1] This amount was transferred to "Eradication of foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Administration," pursuant to Public Law 451, approved July 5, 1952, for the control and eradication of an outbreak of vesicular exanthema, in connection with which an emergency was declared by the Secretary of Agriculture on Aug. 1, 1952.

Rural Electrification Administration

Loan authorizations—Project statement (on basis of planned loan programs)

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Loans:						
1. Rural electrification loans	$165,000,000	$135,000,000	−$30,000,000	$120,000,000	−$45,000,000	−$15,000,000
2. Rural telephone loans	35,476,000	65,000,000	+29,524,000	50,000,000	+14,524,000	−15,000,000
Total loans	200,476,000	200,000,000	−476,000	170,000,000	−30,476,000	−30,000,000

RURAL ELECTRIFICATION ADMINISTRATION

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Administration of rural electrification program	$6,067,265	$5,990,265	−$77,000	$4,895,000	−$1,172,265	−$1,095,265
(a) Loan activities	(674,836)	(658,436)	(−16,400)	(529,827)	(−145,009)	(−128,609)
(b) Engineering activities	(2,053,620)	(2,027,595)	(−26,025)	(1,605,373)	(−448,247)	(−422,222)
(c) Operations activities	(2,619,214)	(2,584,639)	(−34,575)	(2,146,479)	(−472,735)	(−438,160)
(d) Auditing activities	(719,595)	(719,595)	(.....)	(613,321)	(−106,274)	(−106,274)
2. Administration of rural telephone program	2,220,715	3,009,735	+789,020	2,880,000	+659,285	−129,735
(a) Loan activities	(825,849)	(1,046,425)	(+220,576)	(972,176)	(+146,327)	(−74,249)
(b) Engineering activities	(959,399)	(1,314,079)	(+354,680)	(1,239,663)	(+280,264)	(−74,416)
(c) Operations activities	(235,910)	(337,785)	(+101,875)	(355,618)	(+119,708)	(+17,833)
(d) Auditing activities	(199,557)	(311,446)	(+111,889)	(312,543)	(+112,986)	(+1,097)
Total available or estimate	8,287,980	9,000,000	+712,020	7,775,000	−512,980	−1,225,000
Reduction pursuant to sec. 411	+2,020					
Total appropriation	8,290,000					

FARMERS' HOME ADMINISTRATION

Loan authorizations (authorizations to borrow from Treasury)—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Loan authorizations:						
1. Farm ownership and farm housing loans	$38,000,000	$38,000,000		$35,500,000	−$2,500,000	−$2,500,000
2. Production and subsistence loans	120,000,000	120,000,000		117,500,000	−2,500,000	−2,500,000
3. Water facilities loans	6,000,000	7,000,000	+$1,000,000	7,000,000	+1,000,000	
Total loans	164,000,000	165,000,000	+1,000,000	160,000,000	−4,000,000	−5,000,000

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Administration of loan, grant, and insured mortgage programs	$29,573,042	$29,685,000	+$111,958	$27,885,000	−$1,688,042	−$1,800,000
Deduct transfer from "Farm tenant-mortgage insurance fund"	−233,000	−285,000	+52,000	−285,000	+52,000	
Subtotal	29,340,042	29,400,000	+59,958	27,600,000	−1,740,042	−1,800,000
Reductions pursuant to secs. 411 and 412	+9,958					
Total appropriation	29,350,000					

FARM CREDIT ADMINISTRATION

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Supervision and examination of and facilities and services to farm credit banks and corporations	$2,321,451	$2,322,000	+$549	$2,135,500	−$185,951	−$186,500
2. Research and technical assistance, including facilities and services to farmers' cooperatives	429,720	431,000	+1,280	410,000	−19,720	−21,000
Total available or estimate	2,751,171	2,753,000	+1,829	2,545,500	−205,671	−207,500
Reductions pursuant to secs. 411 and 412	+1,929					
Total appropriation	2,753,100					

FARM CREDIT ADMINISTRATION

Administrative expenses and refunds—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
Assessments collected from Farm Credit banks and corporations are appropriated to this account. These funds are advanced to "Salaries and expenses, Farm Credit Administration" to cover the cost of activity 1	$2,321,451	$2,322,000	+$549	$2,135,500	−$185,951	−$186,50
Total appropriation	2,321,451	2,322,000	+549	2,135,500	−185,951	−186,500

Federal Farm Mortgage Corporation

Administrative expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Payment for administrative expenses	$950,000	$800,000	−$150,000	$750,000	−$200,000	−$50,000
Total authorization	950,000	800,000	−150,000	750,000	−200,000	−50,000

Federal Intermediate Credit Banks

Administrative expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Discounting agricultural paper for, and making loans to, production credit associations, agricultural credit corporations, commercial banks, banks for cooperatives, and other financing institutions	$1,690,000	$1,745,000	+$55,000	$1,710,000	+$20,000	−$35,000
Total authorization	1,690,000	1,745,000	+55,000	1,710,000	+20,000	−35,000

PRODUCTION CREDIT CORPORATIONS

Administrative expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Organizing, providing supplemental capital for, and supervising production credit associations	$1,465,000	$1,516,000	+$51,000	$1,465,000	----------	−$51,000
Total authorization	1,465,000	1,516,000	+51,000	1,465,000	----------	−51,000

Extension Service

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. General administration and business service:						
National leadership and direction of extension program	$44,682	$119,070	+$74,388	$119,070	+$74,388	
Business services	147,565	153,137	+5,572	153,137	+5,572	
2. Review and analysis of State budgets, projects, and plans, and examination of State expenditures from Federal payments	44,729	44,729		44,729		
3. Planning and coordination of State and county extension work	165,994	216,606	+50,612	216,606	+50,612	
4. Development of technical subject matter for use by State extension forces	151,383	151,383		151,383		
5. Field studies of extension work, and the training of extension workers	98,702	98,702		98,702		
6. Preparation and distribution of visual material and extension literature to Department and State extension forces	153,436	153,436		153,436		
7. Program development and coordination of extension agricultural economics	92,937	92,937		92,937		
Total available or estimate	899,428	1,030,000	+130,572	1,030,000	+130,572	
Reductions pursuant to secs. 411 and 412	+5,572					
Total appropriation	905,000					

Payments to States, Hawaii, Alaska, and Puerto Rico for cooperative agricultural extension work—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Capper-Ketcham Act (act of May 22, 1928)	$1,480,000	$1,480,000		$1,480,000		
2. Bankhead-Jones Act, sec. 21, title II (act of June 29, 1935)	12,000,000	12,000,000		12,000,000		
3. Bankhead-Jones Act, sec. 23, title II of the act approved June 29, 1935, as amended by the act of June 6, 1945						
Administrative expenses, Federal Extension Service	12,250,000	12,250,000		12,250,000		
4. Additional extension work (act of Apr. 24, 1939)	246,827	250,000	+$3,173	250,000	+$3,173	
5. Alaska:	555,000	555,000		555,000		
(Act of Feb. 23, 1929)	17,300	17,300		17,300		
(Act of Oct. 27, 1949)	42,558	42,558		42,558		
6. Puerto Rico: (Sec. 3, act of Mar. 4, 1931, extension of Capper-Ketcham Act to Puerto Rico)	32,131	32,131		32,131		
(Act of Aug. 28, 1937)	408,000	408,000		408,000		
(Act of Oct. 26, 1949)	101,090	101,090		101,090		
7. Housing Act of 1949, title V, sec. 506a	33,050	33,050		33,050		
Total available or estimate	27,165,956	27,169,129	+3,173	27,169,129	+3,173	
Reductions pursuant to secs. 411 and 412	+3,173					
Total appropriation	27,169,129					

Office of the Secretary

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. General administration	$520,653	$571,970	+$51,317	$513,103	−$7,550	−$58,867
2. Personnel administration and service	535,633	535,633	----------	522,609	−13,024	−13,024
3. Budgetary and financial administration and service	740,212	740,212	----------	725,103	−15,109	−15,109
4. General operations	472,223	472,223	----------	455,223	−17,000	−17,000
5. Office of Hearing Examiners	67,242	72,242	+5,000	73,242	+6,000	+1,000
Total available or estimate	2,335,963	2,392,280	+56,317	2,289,280	−46,683	−103,000
Transferred from:						
"Administrative expenses, Commodity Credit Corporation"	−83,980	−84,280	−300	−84,280	−300	----------
"Flood prevention, Agriculture"	−24,850	−35,000	−10,150	−17,000	+7,850	+18,000
Subtotal	2,227,133	2,273,000	+45,867	2,188,000	−39,133	−85,000
Reduction pursuant to sec. 412	+2,867					
Total appropriation	2,230,000					

Office of the Solicitor

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 origina budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. Agricultural credit	$739,086	$746,886	+$7,800	$718,500	−$20,586	−$28,386
2. Commodity credit, production and adjustment programs	503,650	597,181	+93,531	538,500	+34,850	−58,681
3. Lands, forestry, research, and general legal services	473,505	505,079	+31,574	466,000	−7,505	−39,079
4. Marketing and regulatory laws	408,943	459,643	+50,700	445,000	+36,057	−14,643
5. Rural electrification and telephone programs	451,735	541,211	+89,476	450,000	−1,735	−91,211
Total available or estimate	2,576,919	2,850,000	+273,081	2,618,000	+41,081	−232,000
Received by transfer from:						
"Flood prevention, Agriculture"	−18,426	−50,000	−31,574	−18,000	+426	−32,000
"Administrative expenses, Commodity Credit Corporation"	−206,469	−300,000	−93,531	−300,000	−93,531	.....
Subtotal	2,352,024	2,500,000	+147,976	2,300,000	−52,024	−200,000
Reduction pursuant to sec. 412	+3,976					
Total appropriation	2,356,000					

Foreign Agricultural Service

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. International agricultural trade	$343,244	$415,120	+$71,876	$403,120	+$59,876	−$12,000
2. Foreign production and consumption of agricultural products	269,880	269,880	0	269,880		
Total available or estimate	613,124	685,000	+71,876	673,000	+59,876	−12,000
Reduction pursuant to sec. 411	1,876					
Total appropriation	615,000					

Office of Information

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. General administration of Office of Information and informational work	$29,849	$29,849		$29,000	−$849	−$849
2. Business service, including communications and records	57,139	57,139		53,000	−4,139	−4,139
3. Publications preparation, distribution and control	558,929	607,728	+$48,799	482,014	−76,915	−125,714
4. Preparation and distribution of special reports and current information	364,681	364,681		282,000	−82,681	−82,681
5. Preparation and distribution of agricultural information by exhibits	102,135	102,135		62,000	−40,135	−40,135
6. Preparation and distribution of agricultural information by radio	34,088	34,088		33,000	−1,088	−1,088
7. Preparation and distribution of agricultural information by television				40,000	+40,000	+40,000
8. Preparation and distribution of agricultural information to the press	46,883	46,883		46,000	−883	−883
9. Preparation and distribution of agricultural information by motion pictures	73,511	73,511		69,000	−4,511	−4,511
Total available or estimate	1,267,215	1,316,014	+48,799	1,096,014	−171,201	−220,000
Transfer from "Administrative expenses, Commodity Credit Corporation"	−16,014	−16,014		−16,014		
Subtotal	1,251,201	1,300,000	+48,799	1,080,000	−171,201	−220,000
Reductions pursuant to secs. 411 and 412	+7,799					
Total appropriation	1,259,000					

LIBRARY

Salaries and expenses—Project statement

Project	1953 (estimated)	1954 original budget estimate	Change, 1954 original budget compared with 1953	1954 revised budget estimate	Change, 1954 revised budget estimate compared with—	
					1953	1954 original budget estimate
1. General agricultural library services	$537,257	$556,088	+$18,831	$534,123	−$3,134	−$21,965
2. Specialized services to research	143,912	143,912		139,677	−4,235	−4,235
Total available or estimate	681,169	700,000	+18,831	673,800	−7,369	−26,200
Reductions pursuant to sec. 412	+831					
Total appropriation	682,000					

Mr. ROBERTS. Mr. Chairman, I believe this covers the general matters in this bill, unless the members of the committee have further questions. I want to take this opportunity of expressing appreciation on behalf of the Department for the patience and sympathetic attitude members of the committee have shown during the course of these hearings. We want to be helpful in every way we can in assisting the committee in its consideration of the provisions of the bill. If you are in need of any additional information, I am sure you will not hesitate to call upon us.

Mr. ANDERSEN. Thank you, Mr. Roberts. The committee will stand adjourned until 9:30 a. m., Monday, April 20.

INDEX OF PROJECTS COVERED BY ITEMS IN AGRICULTURAL APPROPRIATION ACT FOR 1954

Subject	Appropriation item
Abaca fiber investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Accelerated erosion	Sal. and exp. (Soil Consv. Serv.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Engr.).
Accounts, farm	Econ. inv. (Bu. Agr. Econ.).
Acetate films	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Acid-tolerant legumes	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Acquisition of forest lands under Weeks and Clarke-McNary Acts.	Acquisition of lands for nat'l forests (For. Serv.).
Acquisition of forest lands within:	
Angeles National Forest (Calif.)	Acquisition of lands from national forest receipts, receipt limitation (For. Serv.).
Cache National Forest (Utah)	Do.
Cleveland National Forest (San Diego County, Calif.).	Do.
Nevada and Tahoe National Forests (Nev.)	Do.
San Bernardino and Cleveland National Forests (Riverside County, Calif.).	Do.
Sequoia National Forest (Calif)	Do.
Superior National Forest, Minnesota	Acquisition of forest land, Sup. Nat'l For. (For. Serv.)
Uinta and Wasatch National Forests (Utah)	Acquisition of lands from national forest receipts, receipt limitation (For. Serv.).
Acquisition of land and the construction of facilities for fire control operations at Missoula, Mont.	Smoke jumper facilities (For. Serv.).
Acquisition of lands, Title III, Bankhead-Jones Farm Tenant Act.	Sal. and exp. (Soil Consv. Serv.).
Acreage allotments and marketing quotas:	
Cotton	Agricultural adjustment programs (Prod. and Mktg Admin.).
Peanuts	Do.
Tobacco	Do.
Adams Act, appropriations to State agricultural experiment stations.	Adams Act (O. E. S.).
Additional measures to accelerate flood prevention.	Sal. and exp., nat'l. forest prot. and manage., forest research; forest roads and trails; State and private forestry coop. (For. Serv.); sal. and exp. (Soil Consv. Serv.).
Administration of grants and coordination of research with States.	Sal. and exp. (O. E. S.).
Adulterated-seed investigations	Marketing services (Prod. and Mktg. Admin.).
Aerial:	
Control of forest fires	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Photographic surveys	Sal. and exp. (Soil Consv. Serv.).
Aerosols for control of insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Afforestation in soil control	Sal. and exp. (Soil Consv. Serv.).
Agreements:	
General agreement on tariffs and trade (GATT).	Sal. and exp. (Foreign Agricultural Service).
International:	
Cotton	Do.
Sugar	Do.
Wheat	Sal. and exp. (Foreign Agricultural Service); Commod. Credit Corp. (Prod. and Mktg. Admin.).
Marketing	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Sugar:	
Interagency Sugar Committee	Sal. and exp. (Foreign Agricultural Service).
Trade:	
Interdepartmental	Do.
Wheat:	
Interagency Wheat Committee	Do.
Agricultural:	
Adjustment Act	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
Commodities (perishable) Act	Perishable Agricultural Commodities Act Fund (Prod. and Mktg. Admin.)
Conservation:	
Payments	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
Program	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Agricultural—Continued	
Engineering	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Finance	Econ. inv. (Bu. Agr. Econ.).
History	Do.
Insurance	Do.
Marketing Act	Agricultural Marketing Act.
Prices and income research	Econ. inv. (Bu. Agr. Econ.).
Products:	
Marketing methods and practices	Marketing services (Prod. and Mktg. Admin.).
Standardization of grades	Do.
Products and residues:	
Biochemical investigations	Sal. and exp. (Bu. Agr. and Ind. Chem.).
Heating and deterioration, pharmacological investigations.	Do.
Industrial utilization	Do.
Research	Agricultural Marketing Act.
Center	Sal. and exp. (Off. of Admin., A. R. A.).
Statistics	Econ. inv.; crop and livestock est. (Bu. Agr. Econ.).
Strategic and critical agricultural materials	Strat. and crit. agri. mats. research.
Wage and wage rates	Crop and livestock est. (Bu. Agr. Econ.).
Agriculture:	
And home economics, extension work in	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Economic and statistical research	Econ. inv. (Bu. Agr. Econ.).
Foreign	Sal. and exp. (Foreign Agricultural Service).
Settlement under forest homestead act	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Aids to farmers, conservation	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
Aircraft and special equipment center	Sal. and exp.; Cont. of For. Pests (Bu. Ento. and Pl. Quar.).
Airplane:	
Authority to purchase and operate	Preamble, sal. and exp.; insect and plant disease control; control of emer. outbreaks of insects and plant diseases (Bu. Ento. and Pl. Quar.) Preamble, control of forest pests; sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Control of agricultural pests	
Control of forest fires	
Development work on spraying	Insect inv. (Bu. Ento. and Pl. Quar.).
Disinsecting	Plant quar. (Bu. Ento. and Pl. Quar.).
Equipment for application of:	
Defoliants	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fertilizers	Do.
Landing fields, maintenance, improvement, and construction of.	Preamble, sal. and exp. (For. Serv.).
Pesticides	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Seeding equipment	Do.
Air-sac infection	Animal research (Bu. An. Ind.).
Akron (Colo.), dry-land agriculture station	Do.
Alaska:	
Appropriations for:	
Agricultural experiment stations:	
Bankhead-Jones Act	Title I, secs. 3, 5, 9, and 11, Bankhead-Jones Act (O. E. S.).
Experiment Station Acts	Alaska (O. E. S.).
Research and Marketing Act of 1946	Title I, secs. 9 and 11, Bankhead-Jones Act (O. E. S.)
Cooperative agricultural extension work:	
Extension of:	
Smith-Lever Act	Alaska (Ext. Serv.).
Capper-Ketcham Act	Do.
Bankhead-Jones Act, Title II, Sections 21 and 23.	Do.
Assistance to soil conservation districts and other cooperators.	Sal. and exp. (Soil Consv. Serv.).
Enforcement of foreign plant quarantines	Plant quar. (Bu. Ento. and Pl. Quar.).
Farm housing, extension work in	Title V, Housing Act of 1949 (Ext. Serv.).
Research on agricultural problems	Research on agr. problems of Alaska (O. E. S.).
Albany (Calif.):	
Biological control laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Western Regional Research Laboratory	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Albany (Ga.):	
Pecan-culture station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pecan-insects laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Albuquerque (N. Mex.):	
Forest insect laboratory	Do.
Headquarters, region 6	Sal. and exp. (Soil Consv. Serv.).
Soil-testing laboratory	Do.
Alcohol:	
Dehydration and purification	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Motor fuels	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Alfalfa:	
Aphid	Insect inv. (Bu. Ento. and Pl. Quar.).
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer-distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hay. (*See* Hay.)	
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Preservation of nutritive values during processing.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Seed:	
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Coloring under Seed Importation Act	Marketing services (Prod. and Mktg. Admin.).
Aliens, authority to hire	Sec. 402 (General Provisions).
Alkali land, drainage	Sal. and exp. (Soil Consv. Serv.).
Allergen(s): Investigations of the allergens of agricultural products.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Almond culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
American Egyptian Cotton, price support program.	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Ames (Iowa):	
Agricultural statistics research office	Crop and livestock est. (Bu. Agr. Econ.).
Corn research and storage investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr Eng.).
Hog-cholera research station	Animal research (Bu. An. Ind.).
Regional Swine Breeding Laboratory	Do.
Amino acids in foods and feeds	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Amylose from starch:	
Fibers	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Films	
Anaheim (Calif.) Insect Laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Anaplasmosis of cattle, research	Animal research (Bu. An. Ind.).
Angeles National Forest (Calif.), acquisition of forest lands within.	Acquisition of lands from national forest receipts, receipt limitation (For. Serv.).
Angoumois grain moth (stored grain)	Insect inv. (Bu. Ento. and Pl. Quar.).
Animal(s):	
Bang's disease (see also Brucellosis)	Animal disease control and erad. (Bu. An. Ind.).
Brucellosis:	
Eradicating the disease	Do.
Research	Animal research (Bu. An. Ind.).
Byproducts, hides, forage, etc., supervision of importation.	Animal disease control and erad. (Bu. An. Ind.).
Certification of pedigrees	Do.
Dairy, investigations	Sal. and exp. (Bu. Dairy Ind.).
Disease:	
Eradication	Animal disease control and erad. (Bu. An. Ind.).
Investigations of the existence of	Animal disease control and erad.; erad. foot-and-mouth disease (Bu. An. Ind.)
Regional Animal Disease Laboratory	Animal research (Bu. An. Ind.).
Export, inspection and testing	Animal disease control and erad. (Bu. An. Ind.).
Fats and oils:	
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Feed and attendants for	Feed and attendants for animals in quarantine (Bu. An. Ind.).
Fibers, investigation	Animal research (Bu. An. Ind.).
Foods	Insp. of animal foods (Bu. An. Ind.).
Foot-and-mouth disease, control and eradication.	Erad. foot-and-mouth disease,; animal disease control and erad.; animal research (Bu. An. Ind.).
Fur-resources investigations	Animal research (Bu. An. Ind.).
Genetic research	Do.
Husbandry investigations	Do.
Import, inspection and quarantine	Animal disease control and erad. (Bu. An. Ind.).
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Inspection and quarantine	Animal disease control and erad. (Bu. An. Ind.).
Interstate shipment	Do.
Management	Animal research (Bu. An. Ind.).
Nutrition research	Do.
Products, investigations	Do.
Ticks affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Worm treatment. (*See also* Livestock)	Animal research (Bu. An. Ind.).
Ankeny (Iowa):	
European corn borer laboratory	Insect inv. (Bu. Ento. and Pl. quar.).
Anthrax	Animal research; animal disease control and erad. (Bu. An. Ind.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Antibiotic(s):	
Food preservation uses	Sal. and exp. (Bu. Agr. and Indus. Chem.).
From agricultural sources	Do.
Survey of mircro-organisms	Do.
Ants	Insect inv. (Bu. Ento. and Pl. Quar.).
Aphids	Do.
Aplary management	Do.
Apple(s):	
Breeding and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Canker	Do.
Perennial	Do.
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Codling moth	Insect inv. (Bu. Ento. and Pl. Quar.).
Culinary quality	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind. Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Flavor concentrate, preparation of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Hormone spray	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Engr.).
Inspection of	Marketing services (Prod. and Mktg. Admin.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Maggot	Do.
Preparation of juice concentrate	Sal. and exp. (Bu. Agr. and Indus. Chem.)
Preservation:	
By dehydration	Do.
By freezing	Do.
Regulation of exports under Export Apple and Pear Act.	Perishable Agricultural Commodities Act Fund (Prod. and Mktg. Admin.).
Tree borers	Insect inv. (Bu. Ento. and Pl. Quar.).
Woolly aphid	Do.
Apricot(s):	
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Arboretum, National (Washington, D. C.), maintenance and operation.	Nat'l Arboretum (Bu. Pl. Ind., Soils, and Agr. Eng.).
Asheville (N. C.):	
Forest:	
Disease investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Southeastern forest and range experiment station.	Sal. and exp., forest research (For. Serv.).
Assistance:	
Farm management	Farmers' Home Admin.
Food	Nat'l School Lunch Program (Prod. and Mktg. Admin.).
Home management	Farmers' Home Admin.
Nonfood	Nat'l School Lunch Program (Prod. and Mktg. Admin.).
Soil conservation districts and other cooperators.	Sal. and exp. (Soil Consv. Serv.).
Athens (Ga.) soil management research station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Atrophic rhinitis	Animal research (Bu. An. Ind.).
Auburn (Ala.):	
Farm-tillage machinery laboratory	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regional Animal Disease Laboratory	Animal research (Bu. An. Ind.).
Automobiles:	
For purchase or hire in the field	Sec. 401 (General Provisions).
Avian:	
Leukosis complex	Animal research (Bu. An. Ind.).
Pneumoencephalitis (Newcastle disease)	Do.
Tuberculosis, eradication	Animal disease control and erad. (Bu. An. Ind.).
Avocado:	
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Azaleas, diseases	Do.
Azelaic acid:	
Derivatives	Strat. and crit. agr. mats. research.
From furfural	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Bacteria:	
Collection of	Do.
Survey of	Do.
Bacterial fixation of nitrogen by legumes	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Bacteriology, soil investigations	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Bagasse:	
Pith for feeds	Sal. and exp. (Bu. Agri. and Indus. Chem.).
Pulp for paper and paper products	Do.
Separation of pith and fiber	Do.
Bamboo:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
	Do.
Plant introduction	Sal. and exp. (Soil Consv. Serv.).
Bank projection	
Bankhead-Jones Act:	
Extension work under	Bankhead-Jones Act, section 21, Title II (Ext. Serv.).
	Bankhead-Jones Act, section 23, Title II (Ext. Serv.).
Payments to States, Alaska, Hawaii, and Puerto Rico for agricultural experiment stations.	Title I, Bankhead-Jones Act (O. E. S.).
Bankhead-Jones Farm Tenant Act	Farmers' Home Admin.
Development and management of land utilization projects.	Sal. and exp. (Soil Consv. Serv.).
Payments to counties	Payments due counties, submarg. land program, Farm Tenant Act (Soil Consv. Serv.).
Barberry eradication	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Barley:	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
	Do.
Diseases	Crop and livestock est. (Bu. Agr. Econ.).
Estimates of production	Sal. and exp. (Commod. Exch. Authority).
Futures trading	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Malting laboratory	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Price support program	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production	Do.
Quality	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Basic commodities, price-support program	Flood prevention.
Basin investigations	Marketing services (Prod. and Mktg. Admin.).
Baskets, standards for	Insect. inv. (Bu. Ento. and Pl. Quar.).
Baton Rouge (La.): Bee laboratory	
Bean(s):	
Beetle, Mexican	Do.
Blight	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
	Do.
Breeding	
Castor:	
Domestic source of strategic oils	Strat. and crit. agr. mats. research.
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Corn earworm	Insect inv. (Bu. Ento. and Pl. Quar.).
Crop insurance	Fed. Crop. Ins. Corp.
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Dry edible, price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer-distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects, field experiments	Insect. inv. (Bu. Ento. and Pl. Quar.).
Leafhopper	Do.
Lima:	
Pod borer	Do.
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Market inspection	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Marketing and standardization	Do.
Mite, 2-spotted	Insect. inv. (Bu. Ento. and Pl. Quar.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Purchases for distribution	Removal of surplus agricultural commodities (Prod. and Mktg. Admin.).
Red spider	Insect. inv. (Bu. Ento. and Pl. Quar.).
Snap, disease	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Soy:	
Breeding	Do.
Crop insurance	Fed. Crop. Ins. Corp.
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimate of production	Crop and livestock est. (Bu. Agr. Econ.).
Inspection, supervision	Marketing services (Prod. and Mktg. Admin.).
Price support program	Commod. Credit Corp. (Prod and Mktg Admin.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regional Soybean Laboratory	Do.
Vitamin and mineral content	Do.
Standards	Marketing services (Prod. and Mktg. Admin.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Beans—Continued	
Velvet, production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Bed-load investigations	Sal. and exp. (Soil Consv. Serv.).
Bedbugs	Insect inv. (Bu. Ento. and Pl. Quar.).
Bee:	
Breeding	Do.
Diseases and poisoning	Do.
Hives, estimates of numbers	Crop and livestock est. (Bu. Agr. Econ.).
Insect pollination	Insect inv. (Bu. Ento. and Pl. Quar.).
Management	Do.
Beech:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Scale	Insect inv. (Bu. Ento. and Pl. Quar.).
Beef-cattle investigations	Animal research (Bu. An. Ind.).
Beef:	
Grading and stamping service	Marketing services (Prod. and Mktg. Admin.).
Beekeeping:	
Management studies:	
Intermountain States	Insect inv. (Bu. of Ento. and Pl. Quar.).
North Central States	Do.
Pacific States	Do.
Southern States	Do.
Studies of production strains	Do.
Beet(s):	
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Sugar:	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Conditional payments to producers	Sugar Act Program (Prod. and Mktg. Admin.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fertilizer experiments	Do.
Insects	Insect inv. (Bu. Ento. and Plt. Quar.).
Leafhopper	Do.
Machinery investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Preservation	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Seed investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils. and Agr. Eng.).
Beetles:	
Affecting:	
Food, feed, fiber	Insect inv. (Bu. Ento. and Pl. Quar.).
Forest and forest products	Do.
Belle Fourche (Newell, S. Dak.) irrigation agriculture station.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Beltsville (Md.):	
Agricultural Research Center:	
Laboratories:	
Agricultural engineering investigations.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Engr.).
Animal husbandry investigations	Animal research (Bu. An. Ind.).
Bee culture and biological control (headquarters).	Insect inv. (Bu. Ento. and Pl. Quar.).
Cartographic and map reproduction division.	Sal. and exp. (Soil Consv. Serv.).
Cereals and forage insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Conservation nursery	Sal. and exp. (Soil Consv. Serv.).
Dairy investigations	Sal. and exp. (Bu. Dairy Ind.).
Disease investigations	Animal research (Bu. An. Ind.).
Erosion control investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Forest demonstration area	Sal. and exp., forest research (For. Serv.).
Forest insect (headquarters)	Insect inv. (Bu. Ento. and Pl. Quar.).
Home economics investigations	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Insecticide laboratory	Marketing services (Prod. and Mktg. Admin.).
Insecticides and fungicides (headquarters).	Insect inv. (Bu. Ento. and Pl. Quar.).
Plant breeding, production, disease, and quality investigations.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Seed testing	Marketing services (Prod. and Mktg. Admin.).
Soil investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Soil testing	Sal. and exp. (Soil Consv. Serv.).
Stored products insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Truck crop and garden insects	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Beneficial insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Berkeley (Calif.):	
California forest and range experiment station	Sal. and exp., forest research (For. Serv.).
Forest insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Berry:	
Boxes, standards for	Marketing services (Prod. and Mktg. Admin.).
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Moth, grape	Do.
Preservation by dehydration	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Preservation by freezing	Do.
Production, culture, and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Bibliographies, sale of	Sal. and exp. (Library).
Big Spring (Tex.):	
Dry-land agriculture station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Livestock station	Animal research (Bu. An. Ind.).
Bindweed, control investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Biophysical investigations of plants	Do.
Birch diseases	Do.
Black or rice weevil (stored grain)	Insect inv. (Bu. Ento. and Pl. Quar.).
Black-stem rust of wheat (Barberry eradication)	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Black shank disease of tobacco	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Blackberry investigations	Do.
Blast cleaning agents from agricultural residues	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Blight:	
Bean	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Carnation	Do.
Pear	Do.
Tomato, western yellow	Do.
Blister rust, white pine:	
Control and quarantine operations	White pine blister rust (Control of Forest Pests) (Bu. Ento. and Pl. Quar.).
Control in national forests	Control of forest pests (For. Serv.).
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Blood plasma substitute	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Blueberry investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Bluegrass investigations	Do.
Blue-stain of wood	Do.
Bogalusa (La.), Tung production	Do.
Laboratory	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Boll weevil, cotton, investigations	Insect inv. (Bu. Ento. and Pl. Quar.).
Bollworm, cotton	Do.
Bollworm (pink), cotton:	
Eradication and quarantine	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Books:	
Photographic reproductions of	Sal. and exp. (Library).
Purchase of	Do.
Border patrol (Mexican and Canadian): Foot-and-mouth disease, enforcement and quarantine.	Erad. foot-and-mouth disease; animal disease control and erad. (Bu. An. Ind.).
Boron investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Border strips	Sal. and exp. (Soil Consv. Serv.).
Borers:	
Birch	Insect inv. (Bu. Ento. and Pl. Quar.).
Corn. (*See* Corn borer).	
Cotton stem	Do.
European corn	Do.
Locust	Do.
Peach tree	Do.
Pod, lima-bean	Do.
Southwestern corn	Do.
Sugarcane moth	Do.
Botany:	
Economic	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Systematic, studies of	Do.
Box tests	Sal. and exp., forest research (For. Serv.).
Boys' and girls' club work, extension work in	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Bozeman (Mont.):	
Cereal and forage insect laboratory:	
Grasshopper and Mormon cricket research.	Insect inv. (Bu. Ento. and Pl. Quar.).
Brawley (Calif.), Southwest irrigation field station.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Breeding:	
Animals	Animal research (Bu. An. Ind.).
Field crops	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
For increased oil content in corn	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fruits	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Poultry	Animal research (Bu. An. Ind.).
Specialty crops	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Tree	Sal. and exp., forest research (For. Serv.).
Vegetables	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Bridger National Forest (Wyo.)	Sal. and exp., forest research (For. Serv.).
Brining preservation of vegetables	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Brooksville (Fla.), livestock station, Chinsegut Hill Sanctuary.	Animal research (Bu. An. Ind.).
Broomcorn:	
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Brown-tail moth:	
Quarantine and control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Browning of foods and feeds	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Brownsville (Tex.):	
Cotton insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Enforcement of foreign plant quarantines, Mexican Border Area.	Plant quar. (Bu. Ento. and Pl. Quar.).
Pink bollworm	Insect inv. (Bu. Ento. and Pl. Quar.).
Brownwood (Tex.):	
Pecan investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Brucellosis:	
Eradicating the disease	Animal disease control and erad. (Bu. An. Ind.).
Research	Animal research (Bu. An. Ind.).
Brush:	
Disposal:	
National forests	Expenses of brush disposal (For. Serv.).
Refunds	Cooperative work (For. Serv.).
Fibers, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Buckwheat	Do.
Bud selection, improvement of fruits through	Do.
Budgets, family	Sal. and exp. (Bu. Human Nutri. and Home Econ.)
Buffer strips	Sal. and exp. (Soil Consv. Serv.).
Buildings:	
Cost limitation	Sal. and exp. (Off. of Admin., A. R. A.).
Farm, fundamental requirements	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
For storage of equipment and supplies used for forest and trail construction.	Forest roads and trails (For. Serv.).
Forest Service, cost limitation	Sal. and exp. (For Serv.).
Insulation	Sal. and exp., forest research (For. Serv.).
Plan service	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Bulb:	
Culture	Do.
Diseases	Do.
Bur clover investigations	Do.
Burley tobacco:	
Inspection	Marketing services (Prod. and Mktg. Admin.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Standards	Marketing services (Prod. and Mktg. Admin.).
Burning:	
Forest protection	Sal. and exp., forest research (For. Serv.).
Prescribed	Do.
Sagebrush	Do.
Butter:	
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Grading service	Marketing services (Prod. and Mktg. Admin.).
Investigations	Sal. and exp. (Bu. Dairy Ind.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Process	Sal. and exp. (Bu. Dairy Ind.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Standardization and grades	Marketing services (Prod. and Mktg. Admin.).
Butterfat:	
Price-support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production	Sal. and exp. (Bu. Dairy Ind.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation Item
Byproducts:	
Alcohol production	Sal. and exp. (Bu. Agr. and Indus. Chem.).
From:	
Grains	Do.
Processing agricultural commodities	Do.
Payments for diversion to	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Cabbage:	
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
	Do.
Diseases	Crop and livestock est. (Bu. Agr. Econ.).
Estimates of production	Insect inv. (Bu. Ento. and Pl. Quar.).
Insects	Acquisition of lands from national forests, receipt limitation (For. Serv.).
Cache National Forest (Utah), acquisition of forest lands within.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cactus diseases	Sal. and exp., forest research. (For. Serv.).
California forest and range experiment station, Berkeley, Calif.	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Campgrounds, national forest sanitation and fire prevention.	Erad. foot-and-mouth disease. (Bu. An. Ind.).
Canada:	Plant quar. (Bu. Ento. and Pl. Quar.).
Foot-and-mouth disease, protective measures to prevent entry of.	Plant, soil, and agr. eng. research (Bu. Plant Ind., Soils, and Agr. Eng.).
Canadian-border ports, inspection service	Sal. and exp. (Soil Consv. Serv.).
Canal Point (Florida), sugar plant field station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cane:	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Land in Florida, drain and ground water studies.	Sugar Act Program (Prod. and Mktg. Admin.).
Sugar:	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Breeding	Crop and livestock est. (Bu. Agr. Econ.).
Byproducts, waxes and aconitates	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Conditional payments to producers	Insect inv. (Bu. Ento. and Pl. Quar.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimate of production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fertilizer experiments	Insect inv. (Bu. Ento. and Pl. Quar.).
Insects	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Land in Louisiana, drainage and ground water studies.	Insect inv. (Bu. Ento. and Pl. Quar.).
Moth borer	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Plant station, Houma, La	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Processing	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production	Do.
Quality	Marketing services (Prod. and Mktg. Admin.).
Sirups and molasses, market news service	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Canker:	Do.
Apple	Marketing services (Prod. and Mktg. Admin.).
Tomato	Do.
Canned fruits and vegetables:	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Grading service	Do.
Standards	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Canning:	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Crops:	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fruit breeding and disease	Do.
Vegetable breeding and disease	Capper-Ketcham Act (Ext. Serv.).
Home methods of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Processes	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cantaloupe(s):	Do.
Diseases	Do.
Fertilizer-distributing machinery	Capper-Ketcham Act, extension work under
Powdery mildew	Carbohydrates
Capper-Ketcham Act, extension work under	Carbon-dioxide studies
Carbohydrates	Carnation bacterial blight
Carbon-dioxide studies	Carotene, preservation in feedstuffs
Carnation bacterial blight	Carpet beetle
Carotene, preservation in feedstuffs	Carrot
Carpet beetle	Cartography:
Carrot	Laboratories
Cartography:	Case bearer, nut (pecan)
Laboratories	
Case bearer, nut (pecan)	

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Casein:	
Bristles	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fiber	Do.
Fractionation and recovery from skim milk	Do.
Statistics	Crop and livestock est. (Bur. Agr. Econ.).
Castor bean(s):	
Domestic source of strategic oils	Strat. and crit. agr. mats. research.
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Catalysts in fertilizer production	Do.
Cattle:	
Beef, investigations	Animal research (Bu. An. Ind.).
Breeding, feeding, and management	Sal. and exp. (Bu. Dairy Ind.).
Brucellosis (Bang's disease) eradicating	Animal disease control and erad. (Bu. An. Ind.).
Dairy:	
Cooperating States:	
Colorado	Sal. and exp. (Bu. Dairy Ind.).
Connecticut	Animal disease control and erad. (Bu. An. Ind.).
Georgia	Do.
Illinois	Do.
Indiana	Do.
Louisiana	Do.
Maryland	Do.
Michigan	Do.
Minnesota	Do.
New Jersey	Do.
New York	Do.
Ohio	Do.
South Carolina	Do.
Texas	Do.
Wisconsin	Do.
Investigations	Do.
Diseases, investigations	Animal research (Bu. An. Ind.).
Dual-purpose, investigations	Do.
Estimates of production	Crop and livestock est. (Bur. Agr. Econ.).
Foot-and-mouth disease, control and eradication.	Erad. foot-and-mouth disease; animal disease control and erad.; animal research (Bu. An. Ind.).
Grazing on national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.)
Grub:	
Research on area control	Animal research (Bu. An. Ind.).
Entomological studies	Insect inv. (Bu. Ento. and Pl. Quar.).
Laboratory, Kerrville, Tex.	Do.
Insects affecting, biological studies	Do.
Nutrition and physiology	Sal. and exp. (Bu. Dairy Ind.).
Range investigation	Sal. and exp., forest research (For. Serv.).
Scabies (mange) eradication	Animal disease control and erad. (Bu. An. Ind.).
Splenetic-fever eradication	Do.
Ticks:	
Eradication	Do.
Investigation	Insect inv. (Bu. Ento. and Pl. Quar.).
Tuberculosis eradication	Animal disease control and erad. (Bu. An. Ind.).
Cauliflower	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cedar diseases	Do.
Celery:	
Bleaching with ethylene gas	Do.
Culture	Do.
Diseases	Do.
Cellulose:	
Cotton, properties and reactions	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Products investigations	Do.
Pulps for board and paper products	Do.
Central States Forest Experiment Station, Columbus, Ohio.	Sal. and exp., forest research (For. Serv.).
Cereal and forage insects:	
Corn insects	Insect inv. (Bu. Ento. and Pl. Quar.).
General feeder insects	Do.
Legume and grass insects	Do.
Small grain insects	Do.
Sugarcane insects	Do.
Cereal crops:	
Agricultural motor fuels	Sal. and exp. (Bu. Agr. and Indus. Chem.).
And diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Byproducts from grains	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemistry and utilization of agricultural residues.	Do.
Culture collection	Do.
Mold yeast and bacteria	Do.
Storage and processing	Do.
Structural and chemical studies of grain kernels.	Do.
Testing agricultural motor fuels	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Cereals:	
And cereal products:	
Changes during storage	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Downy mildew	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Protein value	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Rust	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Smut	Do.
Virus diseases	Do.
Certification:	
Beans	Marketing services (Prod. and Mktg. Admin.).
Dairy and poultry products	Do.
Fruits and vegetables	Do.
Hay	Do.
Hops	Do.
Meats and wool	Do.
Of animal foods	Insp. of animal foods (Bu. An. Ind.).
Of pedigrees of imported animals	Animal disease control and erad. (Bu. An. Ind.).
Of plants and plant products to meet sanitary requirements of foreign countries.	Plant quar. (Bu. Ento. and Pl. Quar.).
Peas	Marketing services (Prod. and Mktg. Admin.).
Poultry	Do.
Rice	Do.
Vegetables	Do.
Wool	Do.
Channels, flow and maintenance	Sal. and exp. (Soil Consv. Serv.).
Charleston (S. C.):	
Regional Vegetable Breeding Laboratory	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Truck crop insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Cheese:	
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.)
Grading service	Marketing services (Prod. and Mktg. Admin.).
Investigations	Sal. and exp. (Bu. Dairy Ind.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Chemical:	
Composition of:	
Foods	Sal. and exp. (Bu. Human Nutri. and Home Econ).
Wood	Sal. and exp., forest research (For. Serv.).
Investigations of soil types	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Seasoning of wood	Sal. and exp., forest research (For. Serv.).
Stimulation of trees	Do.
Chemically converted and derived forest products	Do.
Chemistry and utilization of agricultural commodities.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemistry of:	
Foods	Do.
Plant products	Do.
Cherries:	
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Chestnut blight	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cheyenne (Wyo.) horticultural field station	Do.
Chicago, Ill.:	
Agricultural Statistics Dairy Office	Crop and livestock est. (Bu. Agr. Econ.).
PMA Commodity Office	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Chico (Calif.), plant introduction garden	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Chinch bug, research	Insect inv. (Bu. Ento. and Pl. Quar.).
Chinsegut Hill Sanctuary (Fla.), livestock station.	Animal research (Bu. An. Ind.).
Chlorophyll from vegetable wastes	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chlorosis diseases of fruits	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Chrysanthemum	Do.
Citric acid in submerged cultures	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Citrus:	
Blackfly:	
Control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Investigations	Insect inv. (Bu. Ento. and Pl. Quar.).
Breeding and testing	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Citrus—Continued	
Crop insurance	Fed. Crop Ins. Corp.
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
	Do.
Fruit transportation and storage, physiological problems.	
Fruitflies attacking	Insect inv. (Bu. Ento. and Pl. Quar.).
Fruits:	
Chemistry, processing and uses	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Coloring	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Enzyme actions affecting the quality of citrus fruits and products.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Exportation	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Irrigation investigations on production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Market:	
Inspection	Marketing services (Prod. and Mktg. Admin.).
News service	Do.
Processing laboratories:	
Pasadena, Calif.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Weslaco, Tex.	Do.
Winter Haven, Fla.	Do.
Production under irrigation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Rootstock investigations	Do.
Rust mite	Insect inv. (Bu. Ento. and Pl. Quar.).
Scale insects	Do.
Soil fertility and fertilizer studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Standards	Marketing services (Prod. and Mktg. Admin.).
White fly	Insect inv. (Bu. Ento. and Pl. Quar.).
Clarinda (Iowa), soil management research station.	Plant, soil, and gr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Clarke-McNary Act:	
Cooperation with States in:	
Forest fire control	State and private forestry coop. (For. Serv.).
Forest tree planting	Do
Cooperative distribution of forest planting stock.	Do.
Cooperative farm forestry extension	State and private forestry coop. (Ext. Serv.)
Clarksville (Tenn.) tobacco insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Classification:	
Cotton	Marketing services (Prod. and Mktg. Admin.).
In communities organized for quality improvement.	Do.
Linters	Do.
Insect	Insect. inv. (Bu. Ento. and Pl. Quar.).
Lands	Econ. inv. (Bu. Agr. Econ.); sal. and exp. (Soil Consv. Serv.).
National forest	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Soil classification and mapping	Sal. and exp. (Soil Consv. Serv.).
Clemson (S. C.):	
Cotton spinning research laboratory	Marketing services (Prod. and Mktg. Admin.).
Experiment station, soil improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cleveland National Forest (San Diego and Riverside Counties, Calif.), acquisition of forest lands within	Acquisition of lands from national forest receipts, receipt limitation (For. Serv).
Climatic factors in erosion	Sal. and exp. (Soil Consv. Serv.).
Studies of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Climax baskets:	
For grapes, administration of act	Marketing services (Prod. and Mktg. Admin.).
For mushrooms	Do.
Close-growing crops in erosion control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Clothes moths	Insect inv. (Bu. Ento. and Pl. Quar.).
Clothing:	
Buying guides	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Care of	Do.
Expenditures	Do.
Family utilization of	Do.
Functional design	Do.
Inventories	Do.
Reconditioning	Do.
Selection and care	Do.
Sizing	Do.
Storage of	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Clover:	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Bur investigations	Do.
Disease investigations	Do.
Leaf weevils	Insect inv. (Bu. Ento. and Pl. Quar.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Seed, coloring, under Seed Importation Act	Marketing services (Prod. and Mktg. Admin.).
Club (boys' and girls' work), extension work in	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Coccidiosis	Animal research (Bu. An. Ind.).
Cockroaches	Insect inv. (Bu. Ento. and Pl. Quar.).
Coconut Grove (Fla.), plant introduction garden	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Coconut, miscellaneous studies on	Do.
Codling, moth, apple	Insect inv. (Bu. Ento. and Pl. Quar.).
Coeur d'Alene (Idaho), forest-insect laboratory	Do.
Colby (Kans.), dry-land investigations at	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cold resistance studies	Do.
Cold storage:	
Estimates of holdings in	Marketing services (Prod. and Mktg. Admin.).
Studies on fruits and vegetables	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cole crop:	
Production investigations	Do.
College Station (Tex.):	
Cotton insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Collodial insecticides and fungicides	Do.
Colloids, soil	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Color formation in fruits and vegetables	Do.
Color-grading of vegetable oils	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Coloring:	
Alfalfa and clover seed, under Seed Importation Act.	Marketing services (Prod. and Mktg. Admin.)
Citrus fruits	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Columbus (Ohio):	
Bee culture laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Central States forest experiment station	Sal. and exp., forest research (For. Serv.).
Vegetable insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Commodities:	
Distributed to School Lunch Program	Nat'l. School Lunch Program (Prod. and Mktg. Admin.).
Farm, new uses and markets	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Commodity:	
Credit Corporation, repayment to	Marketing services (Prod. and Mktg. Admin.).
Export program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Specialists, investigations of foreign production and market conditions.	Sal and exp. (Foreign Agricultural Service).
Competition:	
Foreign, actual and potential	Do.
Composition, chemical:	
Of foods	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Of wood	Sal and exp., forest research (For. Serv.).
Concentrated fertilizer, production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Condensed milk:	
Grading	Marketing services (Prod. and Mktg. Admin.).
Condiment and flavoring plants	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Conditional payments to sugar growers	Sugar Act Program (Prod. and Mktg. Admin.).
Conditioning wood products	Sal. and exp., forest research (For. Serv.).
Confectionery:	
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Use of new agricultural products	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Conifer diseases, spruce, fir, pine, cedar, etc	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Conservation:	
Aids to farmers	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
And utilization projects	Water consv. and util. projects (Soil Cons. Serv.).
Districts, soil, cooperation with	Sal. and exp. (Soil Consv. Serv.).
Economic research	Econ. inv. (Bu. Agr. Econ.).
Economics of	Sal. and exp. (Soil Consv. Serv.).
Farming plans	Do.
Food	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Food, clothing, textiles, and household equipment.	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Materials and services	Consv. and use of agr. land resources (Agr'l Consv. Programs).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Conservation—Continued	
Measures primarily for flood prevention	Flood prevention.
Needs	Sal. and exp. (Soil Consv. Serv.).
Ordinances	Do.
Practices	Consv. and use of agr. land resources (Agr'l Consv. Programs); sal. and exp. (Soil Consv. Serv.).
Range	Sal. and exp., forest research (For. Serv.).
Research in soil and water	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Soil management research stations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Surveys	Sal. and exp. (Soil Consv. Serv.).
Construction:	
Access roads	For. roads and trails (For. Serv.).
And maintenance of improvements	Sal. and exp., nat'l. forest prot. and manage; State and priv. forestry coop. (For. Serv.).
Consumer preference studies	Econ. inv. (Bur. Agr. Econ.).
Container (standard) Act, administration	Marketing services (Prod. and Mktg. Admin.).
Containers, standards:	
Baskets:	
Climax	Do.
Round stave	Do.
Splint or market	Do.
Till	Do.
Boxes:	
Berry	Do.
Hampers	Do.
Container tests	Sal. and exp., forest research (For. Serv.).
Contamination, preventing insect	Insect inv. (Bu. Ento. and Pl. Quar.).
Contour farming	Consv. and use of agr. land resources (Agr'l. Consv Programs); sal. and exp. (Soil Consv. Serv.).
Strip cropping, listing, furrowing, tilling, and subsoiling.	Sal. and exp. (Soil Consv. Serv.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Control, forest pest:	
Detection and appraisal surveys	Forest Pest Control Act (Control of Forest Pests) (Bu. Ento. and Pl. Quar.).
Development of apparatus	Insect inv. (Bu. Ento. and Pl. Quar.).
Forest detection surveys	Forest Pest Control Act (Bu. Ento. and Pl. Quar.).
Forest pests	Forest Pest Control Act, control of forest pests (For. Serv.).
Investigation of methods	Insect. inv. (Bu. Ento. and Pl. Quar.).
Mechanical methods	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Control of halogeton	Sal. and exp., forest research (For. Serv.); sal. and exp. (Soil Consv. Serv.).
Controlled plot, investigations in moisture and soil conservation.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Conversion and timber harvesting investigations.	Sal. and exp., forest research (For. Serv.).
Cooperation with States in—	
Agriculture and home economics, extension work in.	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Boys' and girls' club work, extension work in	Do.
Crop and livestock estimates	Crop and livestock est. (Bu. Agr. Econ.).
Economic research	Econ. inv. (Bu. Agr. Econ.).
Farm Forestry:	
Extension work in	State and priv. forestry coop. (Ext. Serv.).
Forest-fire control	State and priv. forestry coop. (For. Serv.).
Forest-fire protection (Clarke-McNary Act).	Forest-fire coop. (For. Serv.).
Forest tree planting	State and priv. forestry coop. (For. Serv.).
Housing, extension work in	Title V, Housing Act of 1949 (Ext. Serv.).
Operations	Econ. inv. (Bu. Agr. Econ.).
Irrigation and drainage engineering	Sal. and exp. (Soil Consv. Serv.).
Cooperative:	
Agreements with States	Marketing services (Prod. and Mktg. Admin.).
Farm Forestry Act of May 18, 1937	State and priv. forestry coop. (For. Serv.).
Farm windbreak demonstrations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Forest Management Act	State and priv. forestry coop. (For. Serv.).
Range improvements	Coop. range improvements (For. Serv.).
Work, Forest Service	Coop. work (For. Serv.).
Cordage, investigations on hard fiber plants for	Strat. and crit. agr. mats. research.
Corn:	
Alcohol production	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Borer, European:	
Breeding, plants resistant to	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mechanical control	Do.
Parasites, importation and colonization	Insect inv. (Bu. Ento. and Pl. Quar.).
Research	Do.
Research laboratory, Ankeny, Iowa	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Corn—Continued	
Breeding research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Chemical composition and breeding of corn	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemistry and utilization	Do.
Crop insurance	Fed. Crop Ins. Corp.
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Earworm	Insect. inv. (Bu. Ento. and Pl. Quar.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer-distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Histological studies	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Insect resistance	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Machinery, production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Oil content influenced by heredity	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Adm.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Starch	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Storage	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Supervision of inspection	Marketing services (Prod. and Mktg. Admin.).
Sweet, breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Use of soft and damaged	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Weevil	Insect inv. (Bu. Ento. and Pl. Quar.).
Corncobs:	
Blast cleaning agent	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Grinding	Do.
Cortisone precursors:	
Research on:	
Plant sources of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Utilization of plant materials as sources of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Corvallis (Oreg.):	
Cooperative seed-testing laboratory	Marketing services (Prod. and Mktg. Admin.).
Cooperative studies, little cherry and Western X-virus diseases and their control.	Insect inv. (Bu. Ento. and Pl. Quar.).
Mosquito laboratory	Do.
Cost of operating farm machinery	Econ. inv. (Bu. Agr. Econ.).
Cost-of-production studies	Do.
Cotton:	
Acclimatization and adaptation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Aphid	Insect. inv. (Bu. Ento. and Pl. Quar.).
Bollworm	Do.
Boll weevil	Do.
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Carry-over, estimates of grade and staple	Marketing services (Prod. and Mktg. Admin.).
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemical processing	Do.
Classification	Marketing services (Prod. and Mktg. Admin.).
Classing:	
In communities organized for quality improvement.	Do.
Repayment to Commodity Credit Corporation for.	Do.
Crop insurance	Fed. Crop. Ins. Corp.
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Economic investigations	Econ. inv. (Bu. Agr. Econ.).
Egyptian, breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Exportation	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Extra-long staple, American-Egyptian, price support program.	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Fabrics:	
Selection, use and care	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Serviceability studies of	Do.
Fertilizer:	
Distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Experiments	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Cotton—Continued	
Fiber:	
Investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Quality	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Studies	Marketing services (Prod. and Mktg. Admin.).
Testing service	Do.
Fleahopper	Insect inv. (Bu. Ento. and Pl. Quar.).
Flower maggot	Do.
Futures Act, administration	Marketing services (Prod. and Mktg. Admin.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Genetics	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Ginning:	
Engineering problems	Do.
Extension work in	Sal. and exp. (Ext. Serv.).
Laboratory:	
Mesilla Park, New Mexico	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Stoneville, Miss.	Do.
Improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Investigation, regarding production of	Do.
Insect(s)	Insect. inv. (Bu. Ento. and Pl. Quar.).
Resistance	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Knitwear	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Linters, price support	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Machinery, production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Engr.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Marketing:	
Quotas	Agricultural adjustment programs (Prod. and Mktg. Admin.).
Research	Econ. inv. (Bu. Agr. Econ.).
Studies	Do.
Mechanical processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Nutrition	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agri. Eng.).
Oil content influenced by heredity	Sal. and exp. (Bu. Agri. and Indus. Chem.).
One-variety community production	Insect inv. (Bu. Ento. and Pl. Quar.).
Pentatomides on	Do.
Pima (Egyptian), tests	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pink bollworm:	
Cooperation with Mexico, control operations.	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Eradication and quarantine	Do.
Gin and mill waste disposal	Do.
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Plant, physiology	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Price:	
Forecasts, prohibition	Sec. 404 (General Provisions).
Predictions, prohibition	Do.
Support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production:	
And diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Machinery	Do.
Quality: Statistics and classing acts	Marketing services (Prod. and Mktg. Admin.).
Root-rot:	
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Soil fertility and fertilizer experiments	Do.
Sea Island, investigations	Do.
Seed:	
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Grading and certification of	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Marketing methods and distribution	Do.
Marketing studies	Do.
Meal(s):	
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Protein	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Oil:	
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Pigments	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production in one-variety	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Standardization studies	Marketing services (Prod. and Mktg. Admin.).
Storage	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Warehousing	Marketing services (Prod. and Mktg. Admin.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Cotton—Continued	
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Soil-fertility studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind, Soils, and Agr. Eng.).
Southwestern irrigated:	
Investigations regarding production of	Do.
Marketing problems	Marketing services (Prod. and Mktg. Admin.).
Spinning and manufacturing tests	Do.
Standards:	
Act, administration	Do.
And testing investigations	Do.
Sale of	Do.
Staples, estimates	Do.
Statistics (grade and staple estimates)	Do.
Textiles, improved products	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Thrips	Insect inv. (Bu. Ento. and Pl. Quar.).
Utilization studies	Econ. inv. (Bu. Agr. Econ.).
Varietal studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Weevil, Thurberia (Ariz.):	
Quarantine	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Wilt investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
County-agent work	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Counties:	
Payments to	Payments due counties, submarg. land program, Farm Tenant Act (SCS).
Cover:	
Crop seeds, winter price support programs	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Crops	Sal. and exp. (Soil Consv. Serv.); Consv. and use of agr. land resources (Agr'l Consv. Programs); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Winter, in South	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Permanent vegetation in erosion control	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cowpea culture and improvement	Plant, soil and agr. eng. research) Bu. Pl. Ind., Soils, and Agr. Eng.).
Cranberry(s):	
Diseases	Do.
Purchases for distribution	Removal of surplus agricultural commodities (Prod. and Mktg. Admin.).
Credit:	
Farm	Econ. inv. (Bu. Agr. Econ.).
Production, studies	Do.
Cricket:	
Mormon	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Critical and strategic materials:	
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Crop:	
And livestock estimates	Crop and livestock est. (Bu. Agr. Econ.).
Estimates	Do.
Insurance:	
Beans	Fed. Crop Ins. Corp.
Citrus	Do.
Corn	Do.
Cotton	Do.
Flax	Do.
Multiple crops	Do.
Tobacco	Do.
Wheat	Do.
Management	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Physiology and breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Residues:	
Investigations	Do.
Rotation	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Under irrigation practices	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Statistics	Crop and livestock est. (Bu. Agr. Econ.).
Crotalarias, investigation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Crown-gall investigations	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Cucumber(s):	
Brining and pickling	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production	Do.
Cucurbit:	
Diseases	Do.
Production	Do.
Culls:	
Fruit, chemistry, and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Vegetable, chemistry, and utilization	Do.
Culture(s): Collection of	Do.
Curculio, plum, affecting peaches	Insect inv. (Bu. Ento. and Pl. Quar.).
Curing, hay and forage crops, tobacco	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Curly-top:	
Sugar beets	Do.
Vegetables	Do.
Virus (vegetables)	Do.
Dairy:	
And poultry products:	
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cooling	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crops and livestock est. (Bu. Agr. Econ.).
Grading service	Marketing services (Prod. and Mktg. Admin.).
Market inspection	Do.
Market news service	Do.
Marketing studies	Do.
Standardization	Do.
Statistical service	Crop and livestock est. (Bu. Agr. Econ.).
Cattle:	
Breeding, feeding, and management	Sal. and exp. (Bu. Dairy Ind.).
Flies attacking	Insect inv. (Bu. Ento. and Pl. Quar.).
Insects affecting	Do.
Nutrition and physiology	Sal. and exp. (Bu. Dairy Ind.).
Herd improvement	Do.
Market inspection	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Products:	
Manufacture	Do.
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Stations:	
Beltsville, Md.	Sal. and exp. (Bu. Dairy Ind.).
Huntley, Mont.	Do.
Lewisburg, Tenn.	Do.
Mandan, N. Dak.	Do.
Willard, N. C.	Do.
Woodward, Okla.	Do.
Statistical service	Crop and livestock est. (Bu. Agr. Econ.).
Dallas (Tex.), PMA Commodity Office	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Dams:	
Check, permanent, and temporary	Sal. and exp. (Soil Consv. Serv.).
For:	
Erosion control	Sal. and exp. (Soil Consv. Serv.); consv. and use of agr. land resources (Agr'l. Consv. Programs).
Irrigation	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
Livestock water	Sal. and exp. (Soil Consv. Serv.); consv. and use of agr. land resources (Agr'l. Consv. Programs).
In gullies and terrace outlets	Sal. and exp. (Soil Consv. Serv.).
Investigations of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Dates	Do.
Davis (Calif.):	
Bee laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Cereal crop and farm structures investigations.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
DDT, investigations of	Do.
Debt adjustment:	
Cancellation	Farmers' Home Admin.
Compromise	Do.
Deciduous:	
Fruit:	
Handling, transportation, and storage investigations.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insect investigation	Insect inv. (Bu. Ento. and Pl. Quar.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Trees, early blooming, introduction	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Dehydration, preservation by:	
Citrus juices	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Eggs	Do.
Fruits	Do.
Fruits and vegetable varieties, suitable for	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Vegetables	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Demand and price situation reports	Econ. inv. (Bu. Agr. Econ.).
Demonstration work:	
Extension Service	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Grade standards	Marketing services (Prod. and Mktg. Admin.).
Tobacco	Do.
Dendrological investigations	Sal. and exp., forest research (For. Serv.).
Detergents, household	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Development of:	
Grade standards	Marketing services (Prod. and Mktg. Admin.).
Wood products	Sal. and exp., forest research (For. Serv.).
Dextran, blood plasma substitute	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Dextrose	Do.
Dietary habits	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Diets, nutritive value of	Do.
Disease survey, plant	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases:	
Animal:	
Control and eradication	Erad. foot-and-mouth disease; animal disease control and erad. (Bu. An. Ind.).
Eradication	Animal dis. control and erad. (Bu. An. Ind.).
Investigations of the existence of	Animal disease control and erad.; erad. foot-and-mouth disease (Bu. An. Ind.).
Regional Animal Disease Laboratory	Animal research (Bu. An. Ind.).
Forest and shade tree	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Plant	Do.
Disinfectants, inspection and testing	Marketing services (Prod. and Mktg. Admin.).
Distributing farm products, marketing and	Do.
Distribution research, agricultural products	Agricultural Marketing Act.
District of Columbia, automobiles for use in	Sal. and exp. (Off. Secy.); Admin. exp. Sec. 392, AA Act of 1938 (Prod. and Mktg. Admin.).
Ditches, irrigation and drainage	Sal. and exp. (Soil Consv. Serv.).
Diversion ditches, dams, and dykes	Do.
Diversion to:	
Byproducts, payments for	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
New uses, payments for	Do.
Domestic consumption, encouragement of	Do.
Douglas fir:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Dourine eradication	Animal dis. control and erad. (Bu. An. Ind.).
Downy mildew:	
Of cereal crops	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Of hops	Do.
Drainage:	
District(s):	
Soil conservation, cooperation with	Sal. and exp. (Soil Consv. Serv.).
Studies of organization and development	Do.
Ditches (dredge), maintenance	Do.
Enclosed drains and open farm ditches	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
Engineering phases of	Sal. and exp. (Soil Consv. Serv.).
Farm	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Irrigated land	Do.
Maintenance of ditches, research in	Sal. and exp. (Soil Consv. Serv.).
Mole, investigations in uses of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Structures, studies of design, construction, operation and maintenance.	Sal. and exp. (Soil Consv. Serv.).
Sugarcane lands in:	
Florida	Do.
Louisiana	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Swampland, studies of	Do.
Tile, research on	Do.
Water control investigations exp. stations:	
Ames (Iowa)	Do.
Athens (Ga.)	Do.
Auburn (Ala.)	Do.
Baton Rouge (La.)	Do.
Beltsville, (Md.)	Do.
Blacksburg (Va.)	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con

Subject	Appropriation item
Drainage—Continued	
Water control, etc.—Continued	
College Park (Md.)	Sal. and exp. (Soil Consv. Serv.).
Coshocton (Ohio)	Do.
Hastings (Nebr.)	Do.
Lincoln (Nebr.)	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Minneapolis (Minn.)	Do.
New Brunswick (N. J.)	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Raleigh (N. C.)	Do.
State College (Miss.)	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Wooster (Ohio)	Do.
Dried eggs:	
Grading service	Marketing services (Prod. and Mktg. Admin.).
Standardization	Do.
Dried fruit:	
Beetle	Insect inv. (Bu. Ento. and Pl. Quar.).
Insects	Do.
Inspection, Market	Marketing services (Prod. and Mktg. Admin.).
Standardization	Do.
Warehousing	Do.
Dried deciduous fruits:	
Exportation	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Preservation	Do.
Purchases for distribution	Do.
Dried-milk investigations	Sal. and exp. (Bu. Dairy Ind.).
Dried skim milk, grading	Marketing services (Prod. and Mktg. Admin.).
Drift fence	Sal. and exp. (Soil Sonsv. Serv.).
Drought-resistant crop investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Drug-plant diseases	Do.
Drug, insecticide, and oil-plant investigations	Do.
Dry-land management investigations:	
State substations:	
Colby, Kans	Do.
College Station, Tex	Do.
Fort Collins, Colo	Do.
Garden City, Kans	Do.
Havre, Mont	Do.
Hays, Kans	Do.
Huntley, Mont	Do.
Laramie, Wyo	Do.
Manhattan, Kans	Do.
Moccasin, Mont	Do.
Moro, Oreg	Do.
North Platte, Nebr	Do.
Pendleton, Oreg	Do.
Sheridan, Wyo	Do.
State College, N. Mex	Do.
Tucumcari, N. Mex	Do.
Stations:	
Akron, Colo	Do.
Big Spring, Tex	Do.
Mandan, N. Dak	Do.
Newell, S. Dak	Do.
Woodward, Okla	Do.
Dry rots of wood	Do.
Drying, kiln, of wood	Sal. and exp., forest research (For. Serv.).
Drying oil plant investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Dual-purpose cattle investigations	Animal research (Bu. An. Ind.).
Dubois (Idaho):	
Range-sheep experiment station	Do.
Regional Sheep Breeding Laboratory	Do.
Dues, memberships in societies and associations	Sal. and exp. (Library).
Dunes, sand, control of	Sal. and exp. (Soil Consv. Serv.).
Investigations on	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Dusting and spraying machinery	Do.
Dutch elm disease, research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); insect inv. (Bu. Ento. and Pl. Quar.).
Duty of water in irrigation	Sal. and exp. (Soil Consv. Serv.); Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Earworm, corn	Insect inv. (Bu. Ento. and Pl. Quar.).
East Grand Forks (Minn.) potato research center.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
East Lansing (Mich.), Regional Laboratory for Improvement of Viability in Poultry.	Animal research (Bu. An. Ind.).
Eastern Regional Research Laboratory, Wyndmoor (Chestnut Hill, Philadelphia), Pa.	Sal. and exp. (Bu. Agr. and Indus. Chem.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Ecologic research in soil and water conservation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Economic:	
Botany	Do.
Effect of erosion	Sal. and exp. (Soil Consv. Serv.).
Information, interpretation and dissemination.	Econ. inv. (Bu. Agr. Econ.).
Research and program service	Do.
Studies	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Economics:	
Agricultural	Econ. inv. (Bu. Agr. Econ.).
Conservation	Sal. and exp. (Soil Consv. Serv.).
Forest	Sal. and exp., forest research (For. Serv.).
Land	Econ. inv. (Bu. Agr. Econ.).
Ectoparasites and mites, taxonomy	Insect inv. (Bu. Ento. and Pl. Quar.).
Education extension work	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Egg(s):	
And poultry situation reports	Econ. inv. (Bu. Agr. Econ.).
Candling equipment investigations	Plant, soil and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cooling, on the farm	Plant, soil and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Culinary quality	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Exportation	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Fermentation of, by bacteria	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Grading equipment investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Grading service	Marketing services (Prod. and Mktg. Admin.).
Hatchability research	Animal research (Bu. An. Ind.).
Marketing	Marketing services (Prod. and Mktg. Admin.).
Microbiology of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Preservation by dehydration	Do.
Preservation by freezing	Do.
Production studies	Animal research (Bu. An. Ind.).
Purchases for distribution	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Standardization	Marketing services (Prod. and Mktg. Admin.).
Eggplant production and diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Egyptian cotton breeding	Do.
Electricity:	
Farm use of	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
On the farm	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Electrification of farms, loans for	Loans (Rural Elec. Act).
Electrostatic gluing and drying	Sal and exp. forest research (For. Serv.).
Elm, Dutch, disease:	
Research	Insect Inv. (Bu. Ento. and Pl. Quar.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Elm:	
Tree diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind.. Soils, and Agr. Eng.).
Virus disease, transmission by insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Employment:	
Of aliens	Sec. 402 (General Provisions).
Encephalomyelitis, equine	Animal research (Bu. An. Ind.).
Engineering, agricultural	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Enteritis, necrotic	Animal research (Bu. An. Ind.).
Entry surveys:	
Forest homesteads	Sal. and exp., Natl. forest prot. and manage. (For. Serv.).
National forest lands	Do.
Enzymatic browning of foods and feeds	Sal. and exp. (Bu. Agri. and Indus. Chem.).
Enzyme(s)	Do.
Actions affecting the quality of citrus fruits and products.	Do.
Dextran production	Do.
Investigation	Do.
Removal of starch by	Do.
Starch splitting in sweetpotatoes	Do.
Epidemic tree disease investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Equipment:	
Farm, mechanical	Do.
Household	Sal. and exp. (Bu. Human Nutri. and Home Econ.)
Testing	Marketing services (Prod. and Mktg. Admin.).
Eroded soil, analysis of	Sal. and exp. (Soil Consv. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Erosion:	
Control investigations:	
Alabama, Auburn	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Arizona, Tucson	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
California, Riverside	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Georgia, Tifton	Do.
Illinois, Urbana	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Iowa, Ames	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Iowa, Castana	Do.
Kansas, Manhattan	Do.
Maryland, College Park and Beltsville	Do.
Mississippi, State College	Do.
Nebraska, Lincoln	Do.
New Jersey, Marlboro	Do.
New Jersey, New Brunswick	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
New Mexico, State College	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
New York, Geneva	Do.
New York, Ithaca	Do.
New York, Riverhead, Long Island	Do.
North Carolina, Raleigh	Do.
Ohio, Wooster	Do.
Oklahoma, Cherokee	Do.
Oregon, Pendleton	Do.
Puerto Rico	Do.
South Carolina, Clemson	Do.
South Dakota, Brookings	Do.
Texas, Brownfield	Do.
Virginia, Blacksburg	Do.
Wisconsin, La Crosse	Sal. and exp. (Soil Consv. Serv.).
Wyoming, Laramie	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Ecological investigations	Do.
Erosion-resisting:	
Crops	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Plants of economic value	Do.
Erysipelas, swine	Animal research (Bu. An. Ind.).
Essential oil-plant investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Estimates:	
Cotton grade and staple	Marketing services (Prod. and Mktg. Admin.).
Crop and livestock	Crop and livestock est. (Bu. Agr. Econ.).
Examination of, in the field	Sal. and exp. (Off. Secy.).
Prices paid by farmers for articles purchased	Crop and livestock est. (Bu. Agr. Econ.).
Prices received by farmers for products sold	Do.
Tobacco	Do.
European:	
Chafer	Insect inv. (Bu. Ento. and Pl. Quar.).
Corn borer. (*See* Corn borer.)	
Fowl pest, eradication	Erad. foot-and-mouth disease (Bu. An. Ind.).
Pea weevil	Insect inv. (Bu. Ento. and Pl. Quar.).
Evaporated milk: Grading service	Marketing services (Prod. and Mktg. Admin.).
Everglades (Fla.), water-control investigations	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Exanthema, vesicular	Animal research; animal disease control and erad.; erad. foot-and-mouth disease (Bu. An. Ind.).
Exchange (Commodity) Act, administration	Sal. and exp. (Commod. Exch. Authority).
Exchange commodities: Material, critical and strategic price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Exchange of:	
National forest lands	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Publications	Sal. and exp. (Library).
Submarginal lands	Sal. and exp. (Soil Consv. Serv.).
Exhibits	Office of Information.
Expenses of brush disposal	Expenses, brush disposal (For. Serv.).
Experiment stations:	
Federal experiment station in Puerto Rico	Sal. and exp. (O. E. S.).
Forest	Sal. and exp., forest research (For. Serv.).
State, Alaskan, Hawaiian, and Puerto Rican agricultural:	
Alaska:	
Bankhead-Jones Act	Title I, secs. 3, 5, 9, and 11, Bankhead-Jones Act (O. E. S.).
Experiment Stations Acts	Alaska (O. E. S.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Experiment stations—Continued	
State, Alaskan, etc—Continued	
Hawaii:	
Bankhead-Jones Act	Title I, secs. 3, 5, 9, and 11, Bankhead-Jones Act (O. E. S.).
Experiment Station Act	Hawaii (O. E. S.).
Puerto Rico:	
Bankhead-Jones Act	Title I, secs. 3, 5, 9, and 11, Bankhead-Jones Act (O. E. S.).
Experiment Station Act	Puerto Rico (O. E. S.).
State:	
Adams Act	Adams Act (O. E. S.).
Bankhead-Jones Act	Title I, secs. 3, 5, 9, and 11, Bankhead-Jones Act (O. E. S.).
Hatch Act	Hatch Act (O. E. S.).
Purnell Act	Purnell Act (O. E. S.).
Experimental forests and ranges	Sal. and exp., forest research (For. Serv.).
Export:	
Animals:	
Inspection and testing	Animal disease control erad. (Bu. An. Ind.).
Inspection of vessels carrying	Do.
Apples and Pear Act	Perishable Agricultural Commodities Act Fund (Prod. and Mktg. Admin.).
Encouragement of	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Meat and meat food products, inspection for	Meat insp. (Bu. An. Ind.).
Nursery stocks, plants, and plant products	Plant quar. (Bu. Ento. and Pl. Quar.)
Payments for encouragement of	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Subsidies, cooperation in formation and operation of programs under sec. 32, act of Aug. 24, 1935.	Do.
Viruses, serums, and analogous products	Animal disease control and erad. (Bu. An. Ind.).
Exportable surpluses	Sal. and exp. (Foreign Agricultural Service).
Exportation, tobacco seeds and plants	Marketing services (Prod. and Mktg. Admin.).
Extension work:	
Salaries and expenses, Extension Service	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Cooperative extension work in agriculture and home economics, and boys' and girls' club work.	Coop. agr. ext. work; Smith-Lever Act; Capper-Ketcham Act; Bankhead-Jones Act, Section 21, Title II; Bankhead-Jones Act, Section 23, Title II; Additional Extension Work; Alaska, Puerto Rico (Ext. Serv.).
Farm:	
Forestry:	
Act of June 7, 1924, as amended by the act of Oct. 26, 1949.	State and private forestry cooperation (Ext. Serv.).
Housing	Title V, Housing Act of 1949 (Ext. Serv.).
Visual instruction	Sal. and exp. (Ext. Serv.).
Fabrics:	
Deterioration	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Household	Do.
Knit	Do.
Physical and chemical properties	Do.
Quality	Do.
Reconditioning	Do.
Selection	Do.
Serviceability studies	Do.
Facilities, water	Water fac., arid and semiarid areas (Farmers' Home Admin.).
Fallon (Nev.), irrigation agriculture investigations at.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
False blossom, cranberry	Do.
Family:	
Adjustments to economic change	Sal. and exp. (Bu. Human Nutri. and Home Econ.)
Budgets	Do.
Consumption	Do.
Diet plans	Do.
Dietary habits	Do.
Economic investigations	Do.
Expenditures	Do.
Farm living	Do.
Financial planning	Do.
Farm:	
Accounts	Econ. inv. (Bu. Agr. Econ.).
And home management assistance	Farmers' Home Admin.
Building Plan Exchange Service	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Byproducts, utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Classification	Econ. inv. (Bu. Agr. Econ.).
Commodities:	
Credit	Do.
Costs situation reports	Do.
New uses and markets	Sal. and exp. (Bu. Agr. and Indus. Chem.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Farm—Continued	
Conservation planning	Sal. and exp. (Soil Consv. Serv.).
Crops:	
Irrigation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Drainage	Sal. and exp. (Soil Consv. Serv.).
Drainage	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Electrification, loans for	Loans (Rural Elec. Admin.).
Forestry:	
Cooperative:	
Forestation	Sal. and exp. (Soil Consv. Serv.).
Woodlands management	Do.
Extension, cooperative, under Clarke-McNary Act.	State and private forestry cooperation (Ext. Serv.).
Operations	Do.
Harvesting methods	Econ. inv. (Bu. Agr. Econ.).
Household equipment	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Housing:	
Construction estimates	Crop and livestock est. (Bu. Agr. Econ.).
Design of installed equipment	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Economic research	Econ. inv. (Bu. Agr. Econ.).
Extension work in	Title V, Housing Act of 1949 (Ext. Serv.).
Grants	Farmers' Home Administration.
Loans	Do.
Planning and remodeling	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Rural family needs and preferences	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Space requirements	Do.
Studies	Do.
Income situation reports	Econ. inv. (Bu. Agr. Econ.).
Insurance	Do.
Kitchen studies	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Labor	Econ. inv. (Bu. Agr. Econ.).
Statistics	Econ. inv.; crop and livestock est. (Bu. Agr. Econ.).
Land:	
Classification	Econ. inv. (Bu. Agr. Econ.).
Restoration in flood stricken areas	Consv. and use of agr. land resources (Agr'l Consv. Programs).
Machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Operating costs	Econ. inv. (Bu. Agr. Econ.).
Management and land-use studies	Do.
Management assistance	Farmers' Home Admin.
Mechanical equipment	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mechanization, economics of	Econ. inv. (Bu. Agr. Econ.).
Mortgage finance	Do.
Organization studies	Do.
Planning for erosion control	Sal. and exp (Soil Consv. Serv.).
Ponds	Do.
Population and rural-welfare studies	Econ. inv. (Bu. Agr. Econ.).
Power (engineering)	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Products:	
Market inspection	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Marketing and distributing	Do.
Marketing and transportation	Econ. inv. (Bu. Agr. Econ.).
Real-estate survey	Do.
Records and accounts	Do.
Refrigeration studies	Sal. and exp. (Bu. Human Nutri. and Home Econ.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Residues, utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Returns	Econ. inv. (Bu. Agr. Econ.).
Sewage disposal	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Shelters	Do.
Storage, buildings, and equipment	Do.
Structures and appurtenances	Do.
Taxation studies	Econ. inv (Bu. Agr. Econ.).
Telephones, loans for	Loans (Rural Elec. Admin.).
Tenancy loans	Farmers' Home Admin.
Tenancy studies	Econ. inv. (Bu. Agr. Econ.).
Tenant Act	Farmers' Home Admin.
Tenant Mortgage Insurance	Do.
Tillage machinery laboratory (Auburn, Ala)	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Transportation and storage	Do.
Types, studies	Econ. inv. (Bu. Agr. Econ.).
Windbreak investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Woodlands	Sal. and exp. (Soil Consv. Serv.); State and private forestry coop. (For. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Farm Credit Administration:	
Research and technical assistance, including facilities and services to farmers' cooperatives.	Sal. and exp. (Farm Credit Admin.).
Supervision and examination of and facilities and services to Farm Credit Banks and Corporations:	
Agricultural marketing revolving fund	Do.
Banks for cooperatives	Do.
Federal Farm Mortgage Corporation	Do.
Federal intermediate credit banks	Do.
Federal land banks	Do.
Production credit corporations and associations.	Do.
Farmers' Bulletin	Sal. and exp. (Office of Information).
Farmers' crop production and harvesting loans	Farmers' Home Admin.
Farmingdale (N. Y.):	
Truck crop insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Fats:	
And oils situation reports	Econ. inv. (Bu. Agr. Econ.).
Chemical conversion of	Sal. and exp. (Bu Agr. and Indus. Chem.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Fatty acid(s):	
Content of foods	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
For synthetic lubricants	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Federal:	
Aid roads: Forest roads and trails	Forest roads and trails (For. Serv.).
Farm Mortgage Corporation	Admin. Exp. (Fed. Farm Mortgage Corp.).
Intermediate credit banks	Admin. Exp. (Fed. intermediate credit banks).
Insecticide, Fungicide, and Rodenticide Act	Marketing services (Prod. and Mktg. Admin.).
Seed Act	Do.
Feed(s):	
Browning of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Byproduct recovery	Do.
Citrus byproduct	Do.
Economic utilization of	Econ. inv. (Bu. Agr. Econ.).
Fruit and vegetable wastes	Sal. and exp (Bu Agr and Indus. Chem.).
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Marketing studies	Do.
Meals from:	
Cottonseed	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Soybeans	Do.
Pith from bagasse	Do.
Preservation of carotene and other nutritive values in.	Do.
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Vitamin B_{12}	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fees to partially cover cost of certain marketing regulatory services:	
Marketing regulatory services	Marketing services (Prod. and Mktg. Admin.).
Market inspection service	Do.
Fences:	
Erosion control	Sal. and exp. (Soil Consv. Serv.).
Field windbreak	Do.
Fermentation:	
Citric acid	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Dextran production	Do.
Feed recovery from alcohol production	Do.
Fungal amylase	Do.
Industrial, studies	Do.
Itaconic acid	Do.
Vitamin B_{12}	Do.
Fertilizer:	
Biochemical nitrogen fixation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Catalysts, investigations	Do.
Concentrated, production investigations	Do.
Consumption	Do.
Distribution machinery	Do.
Economic use of	Econ. inv. (Bu. Agr. Econ.).
Experiments:	
Field crops	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fruits	Do.
Fundamental chemical and physical problems.	Do.
Mixed, investigations	Do.
Vegetables	Do.
Nitrogen production investigations	Do.
Organic problems	Do.
Phosphate production investigations	Do.
Placement machinery	Do.
Potash production investigations	Do.
Production investigations	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Fertilizer—Continued	
Research on economic use of	Econ. inv. (Bu. Agr. Econ.).
Resources, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fiber(s):	
Cordage	Strat. and crit. agr. mats. research.
Cotton:	
Processing and utilization	Sal. and exp. (Bu. Agri. and Indus. Chem.).
Studies	Marketing services (Prod. and Mktg. Admin.): plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Testing service	Marketing services (Prod. and Mktg. Admin.).
Flax:	
Improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Machinery investigations	Do.
Hard:	
Abaca	Do.
Henequen	Do.
Sisal	Do.
Hemp:	
Culture and improvement	Do.
Machinery investigations	Do.
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.)
Investigations	Sal. and exp., Forest research (For. Serv.).
Plant investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production from:	
Milk proteins	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Ramie	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sanseveria machinery investigations	Do.
Standardization	Marketing services (Prod. and Mktg. Admin.).
Starch amylose	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Wool and other	Animal research (Bu. An. Ind.).
Wool, standards	Marketing services (Prod. and Mktg. Admin.).
Field:	
Crops:	
Fertilizer distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Ground-water studies, Florida	Sal. and exp. (Soil Consv. Serv.).
Irrigation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.), sal. and exp. (Soil Consv. Serv.).
Monthly sales statistics	Crop and livestock est. (Bu. Agr. Econ.).
Production, culture, breeding, and diseases.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Examination of estimates in the	Sal. and exp. (Off. Secy.).
Library Services	Sal. and exp. (Library).
Stripcropping	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
Windbreaks	Sal. and exp. (Soil Consv. Serv.).
Figs:	
Cultural investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Dried, insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Filberts:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Films:	
From starch amylose	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Investigations	Do.
Finance, agricultural	Econ. inv. (Bu. Agr. Econ.).
Fir:	
Tussock Moth	Insect inv. (Bu. Ento. and Pl. Quar.).
Fire insurance, farm	Econ. inv. (Bu. Agr. Econ.).
Fires:	
Control improvements, national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Forest:	
Aerial control	Do.
Airplane control	Do.
Cloud seeding in forest-fire fighting	Sal. and exp., forest research (For. Serv.).
Control studies in	Do.
Cooperation under Clarke-McNary Act	State and private forestry coop. (For. Serv.).
Danger measurement	Sal. and exp., forest research (For. Serv.).
Economics	Do.
Fighting	Fighting forest fires (For. Serv.).
On private lands	Coop. work (For. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Fires—Continued	
Forest—Continued	
Prevention	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Studies	Sal. and exp., forest research (For. Serv.).
Protection studies	Do.
Radio equipment	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Research	Sal. and exp., forest research (For. Serv.).
Suppression	Sal. and exp., nat'l forest prot. and manage., fighting forest fires (For. Serv.).
Hazards, Florida Everglades	Sal. and exp. (Soil Consv. Serv.).
Lands, forest, unappropriated public	Fighting forest fires (For. Serv.).
Parachutes, man	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Prevention and sanitation on national forest camp grounds.	Do.
Research	Sal. and exp., forest research (For. Serv.).
Wetting agents in forest-fire fighting	Do.
Fish and game, development of resources and law enforcement, national forests.	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Flavor stability:	
Metal inactivators	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Of soybean oil	Do.
Flavoring and condiment plants	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Flax:	
Breeding and culture for seed purposes	Do.
Crop insurance	Fed. Crop Ins. Corp.
Disease	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fiber:	
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Machinery investigations	Do.
Production	Do.
Seed:	
Exportation	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Storage	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Flea(s):	
Affecting man	Insect inv. (Bu. Ent. and Pl. Quar.).
Beetle:	
Corn	Do.
Tobacco	Do.
Hopper, cotton	Do.
Stick-tight, affecting poultry	Do.
Flies:	
Affecting man and animals	Do.
Feed crops	Do.
Food crops	Do.
Fiber crops	Do.
Fruit in Hawaii (research)	Do.
Mexican fruit, quarantine	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Oriental fruit	Insect inv. (Bu. Ento. and Pl. Quar.)
Stable, affecting domestic animals	Do.
Taxonomy	Do.
Flood prevention	Flood prevention.
Additional measures to accelerate	Sal. and exp., nat'l forest prot. and manage., forest research; forest roads and trails; State and private forestry coop. (For. Serv.); sal. and exp. (Soil Consv. Serv.).
Flood rehabilitation:	
Emergency channel restoration	Sal. and exp. (Soil Consv. Serv.).
Floodwater:	
Farming	Do.
Retarding structures	Flood prevention; sal. and exp. (Soil Consv. Serv.).
Florala (Ala.), white-fringed beetle research laboratory.	Insect inv. (Bu. Ento. and Pl. Quar.).
Florence (S. C.):	
Cotton:	
And tobacco production and disease research.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Tobacco insect laboratory	Do.
Floriculture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Florida Everglades Region	Sal. and exp. (Soil Consv. Serv.).
Florists' problems investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Flour(s):	
Chemistry	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Moth, Mediterranean	Do.
Flower maggot, cotton	Do.
Flowers, culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Flukes, liver	Animal research (Bu. of An. Ind.).
Food:	
And Agriculture Organization, U. N., Liaison and U. S. Secretariat	Sal. and exp. (Foreign Agricultural Service).
And nutrition investigations	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Antibiotics for preservation	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Assistance	Nat. School Lunch Program (Prod. and Mktg. Admin.).
Bacteriological safety of	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Biological value	Do.
Budgets, nutritionally adequate	Do.
Canning	Do.
Investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Care in the home	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Chemical composition studies	Do.
Citrus concentrates	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Comparative cost	Sal and exp. (Bu. Human Nutri. and Home Econ.).
Composition	Do.
Conservation research	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Consumption	Sal. and exp. (Bu. Human Nutri. and Home Econ.); Econ. inv. (Bu. Agr. Econ.).
Contaminants	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Dehydration studies	Sal. and exp. (Bu. Human Nutri. and Home Econ.); sal. and exp. (Bu. Agri. and Indus. Chem.).
Deterioration	Sal. and exp. (Bu. Agri. and Indus. Chem.).
Digestibility	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Edible yield, quality, nutritive value	Do.
Energy	Do.
Enzymatic browning	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Enzymology	Do.
Freezing	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Frozen-pack investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Gelsoy	Do.
Global spread	Do.
Habits	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Interrelationships among nutrients	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Margarine	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Microbiology	Do.
Needs of foreign countries	Sal. and exp. (Foreign Agricultural Service).
Nutritive value of	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Packaging	Do.
Palatability of	Do.
Pharmacological investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Physical and chemical characteristics	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Physiological energy value	Do.
Physiological utilization of nutrients	Do.
Pickles	Sal. and exp. (Bu. Agr. and Indus. Chem.)
Potential outlets for	Sal and exp. (Bu. Human Nutri. and Home Econ.).
Preparation and preservation studies	Do.
Preservation	Removal of surplus commod. (Prod. and Mktg. Admin.).
Processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Products:	
Grading	Marketing services (Prod. and Mktg. Admn.).
Soybean protein	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Protein value	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Quality studies	Do.
Salad oils	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Selection	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Shortenings	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Spoilage and deterioration	Sal. and exp. (Bu. Agr. and Indus. Chem.); sal. and exp. (Bu. Human Nutri. and Home Econ.).
Stability after commercial processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Storage	Sal. and exp. (Bu. Agr. and Indus. Chem.); sal. and exp. (Bu. Human Nutri. and Home Econ.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); in sc inv. (Bu. Ento. and Pl. Quar.).
Supplementary relationships among	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Supplies	Econ. inv. (Bu. Agr. Econ.).
Toxicological investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Transportation and storage, engineering problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1953—Con.

Subject	Appropriation item
Food—Continued	
Uses	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Utilization	Do.
Vitamin content	Do.
Waste	Do.
Foot-and-mouth disease:	
Border patrol (Mexican and Canadian)	Erad. foot-and-mouth disease; animal disease control and erad. (Bu. An. Ind.).
Control and eradication	Do.
Research	Erad. foot-and-mouth disease; animal research (Bu. An. Ind.).
Transportation, interstate, of livestock, control.	Erad. foot-and-mouth disease; animal disease control erad. (Bu. An. Ind.).
Foot-rot, wheat	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Forage:	
Crops:	
Breeding	Do.
Diseases	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Legume diseases and improvements	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production, culture, and improvement.	Do.
Range, investigations	Sal. and exp., forest research (For. Serv.).
Effect of wildlife on	Do.
Foreign:	
Agricultural:	
Attachés, liaison with	Sal. and exp. (Foreign Agricultural Service).
Relations	Do.
Competition and demand (agricultural products).	Do.
Countries, statistics of production and marketing.	Do.
Exploration and introduction (plant)	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Government policies affecting American agriculture.	Sal. and exp. (Foreign Agricultural Service).
Parasites	Insect inv. (Bu. Ento. and Pl. Quar.).
Plant:	
Introduction	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Quarantine	Plant quar. (Bu. Ento. and Pl. Quar.).
Production and market conditions	Sal. and exp. (Foreign Agricultural Service).
Purchase program	Commod. Credit Corp. (Pod. and Mktg. Admin.).
Seed and plant introduction	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Trade and allied problems and policies, coordination of Department's activities in respect thereto.	Sal. and exp. (Foreign Agricultural Service).
Wood tests	Sal. and exp., forest research (For. Serv.).
Forest:	
Chestnut investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cover	Sal. and exp., forest research (For. Serv.).
Disease:	
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Laboratories:	
Asheville, N. C	Do.
Athens, Ga	Do.
Beltsville, Md	Do.
Columbus, Ohio	Do.
Columbia, Mo	Do.
Economics	Sal. and exp., forest research (For. Serv.).
Experiment stations:	
California (Berkeley, Calif.)	Do.
Central States (Columbus, Ohio)	Do.
Intermountain (Ogden, Utah)	Do.
Lake States (St. Paul, Minn.)	Do.
Northeastern (Philadelphia, Pa.)	Do.
Northern Rocky Mountain (Missoula, Mont.).	Do.
Pacific Northwest (Portland, Oreg.)	Do.
Rocky Mountain (Fort Collins, Colo.)	Do.
Southeastern (Asheville, N. C.)	Do.
Southern (New Orleans, La.)	Do.
Southwestern (Tucson, Ariz.)	Do.
Tropical (Rio Piedras, P. R.)	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con

Subject	Appropriation item
Forest—Continued	
Fires:	
Aerial control	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Cooperation under Clarke-McNary Act	State and private forestry coop. (For Serv.).
Fighting	Sal. and exp., fighting forest fires (For. Serv.).
On private lands	Coop. work (For. Serv.).
Prevention	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Studies	Sal. and exp., forest research (For. Serv.).
Protection studies	Do.
Radio equipment	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Research (forest-experiment stations)	Sal. and exp., forest research (For. Serv.).
Suppression	Sal. and exp., nat'l. forest prot. and manage., fighting forest fires (For. Serv.).
Genetics	Sal. and exp., forest research (For. Serv.).
Grazing, studies in	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Control (Forest Service)	Sal. and exp., nat'l. forest prot. and manage.; control of forest pests (For. Serv.).
In Bitterroot National Forest, control supervision.	Forest Pest Control Act (Control of Forest Pests) (Bu. Ento. and Pl. Quar.).
In national parks, control supervision	Do.
In southern Rocky Mountains, control supervision.	Do.
Investigations	Do.
Laboratories:	
Albuquerque, N. Mex	Do.
Asheville, N. C	Do.
Beltsville, Md	Do.
Berkeley, Calif	Do.
Coeur d'Alene, Idaho	Do.
Fort Collins, Colo	Do.
Gulfport, Miss	Do.
Milwaukee, Wis	Do.
New Haven, Conn	Do.
Ogden, Utah	Do.
Portland, Oreg	Do.
Worthington, Ohio	Do.
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Experiment stations:	
Forest	Sal. and exp., forest research (For. Serv.).
Range	Do.
Investigative work financed by private contributors.	Coop. work (For. Serv.).
Laboratories:	
Albuquerque, N. Mex	Do.
Asheville, N. C	Do.
Athens, Ga	Do.
Beltsville, Md	Do.
Columbus, Ohio	Do.
Columbia, Mo	Do.
Gulfport, Miss	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Lake City, Fla	Do.
Madison, Wis	Do.
New Haven, Conn	Do.
New Orleans, La	Do.
Portland, Oreg	Do.
San Francisco, Calif	Do.
Lands; cooperation with private owners	State and private forestry coopn. (For. Serv.).
Management:	
And processing	Do.
Research	Sal. and exp., forest research (For. Serv.).
National:	
Administration (*see* National forests)	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Protection and management	Do.
Nursery investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pathology	Do.
Pest Control Act	Control of forest pests.
Planting research	Sal. and exp., forest research (For. Serv.).
Product(s):	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Investigations	Sal. and exp., forest research (For. Serv.).
Laboratory, Madison, Wis. (research)	Do.
Statistics	Do.
Protection, studies in	Do.
Range-management investigations	Do.
Recreational use	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Regeneration, studies in	Sal. and exp., forest research (For. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Forest—Continued	
Reservation, National Commission	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Resources	Do.
Of United States, survey (research)	Sal. and exp., forest research (For. Serv.).
Roads and trails:	
Buildings for equipment and supplies used in construction and maintenance.	Forest roads and trails (For. Serv.).
Construction	Do.
Under Federal-aid road act, as amended	Do.
Under Forest Service general funds	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Survey(s)	Sal. and exp., forest research (For. Serv.).
Timber and grazing, national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Tree:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect. inv. (Bu. Ento. and Pl. Quar.).
Planting	Sal. and exp., nat'l. forest prot. and manage.; State and private forestry coopn. (For. Serv.).
Studies	Sal. and exp., forest research (For. Serv.).
Forest Grove (Oreg.):	
Cereal and forage insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Truck crop insect laboratory	Do.
Forestation studies	Sal. and exp., forest research (For. Serv.).
Forest utilization service	Do.
Forestry:	
Demonstrations, farm	State and private forestry coop. (Ext. Serv.).
Extension, cooperative farm:	
Clarke-McNary Act of June 7, 1924, as amended and supplemented by act of Oct. 26, 1949.	Do.
Farm:	
Operations	Do.
Investigations	Sal. and exp., forest research (For. Serv.).
Fort Collins (Colo.):	
Forest insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Rocky Mountain forest and range experiment station.	Sal. and exp., forest research (For. Serv.).
Fort Reno (Okla.), beef cattle research station	Animal research (Bu. An. Ind.).
Fort Robinson (Nebr.), beef cattle research station	Do.
Fort Valley (Ga.):	
Peach-diseases field laboratory	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Peach-insect laboratory	Insect inv (Bu. Ento. and Pl. Quar.).
Fort Worth (Tex.) headquarters, region 4	Sal. and exp. (Soil Consv. Serv.).
Fowl:	
Pest, European, eradication	Erad. foot-and-mouth disease (Bu. An. Ind.).
Foxes:	
Fur-resources investigations	Animal research (Bu. An. Ind.).
Frame buildings, use of wood in	Sal. and exp., forest research (For. Serv.).
Free use of timber, national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Freezing, preservation by:	
Fruits	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Poultry products	Do.
Vegetables	Do.
Freight rates on farm products, adjustment of	Marketing services (Prod. and Mktg. Admin.).
Fresno (Calif.):	
Dried-fruit insect laboratory	Insect. inv. (Bu. Ento. and Pl. Quar.).
Grape improvement; method of handling, transp., and storage of fruits and vegetables.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Front Royal (Va.), beef cattle research station	Animal research (Bu. An. Ind.).
Frozen-pack, problems, fruits and vegetables	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fruit(s):	
And vegetables:	
Byproducts	Do.
Canned, grading service	Marketing services (Prod. and Mktg. Admin.).
Canning investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemistry and utilization	Do.
Coloring matter, chemical and physical studies.	Do.
Composition	Sal. and exp. (Bu. Agr. and Indus. Chem.); sal. and exp. (Bu. Human Nutri. and Home Econ.).
Culls	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cultivating and harvesting machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Fruit(s)—Continued	
And vegetables—Continued	
Dried:	
Inspection, market	Marketing services (Prod. and Mktg. Admin.).
Standardization	Do.
Enzymatic decomposition of phospholipids in	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Freezing investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Frozen:	
Inspection, market	Marketing services (Prod. and Mktg. Admin.).
Standardization studies	Do.
Insect pest and plant disease control machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Irrigation for production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Market inspection	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Marketing studies	Do.
Preservation and processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Processing laboratories:	
Albany, Calif.	Do.
New Orleans, La.	Do.
Pasadena, Calif.	Do.
Prosser, Wash.	Do.
Puyallup, Wash.	Do.
Raleigh, N. C.	Do.
Weslaco, Tex.	Do.
Winter Haven, Fla.	Do.
Wyndmoor, Pa.	Do.
Quarantine	Plant quar. (Bu. Ento. and Pl. Quar.).
Standard	Marketing services (Prod. and Mktg. Admin.).
Standardization studies	Do.
Transportation and storage:	
Engineering problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Physiological problems	Do.
Breeding and selection	Do.
Canned, grading service	Marketing services (Prod. and Mktg. Admin.).
Canning-crop experiments	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Carbon dioxide studies	Do.
Chemical composition	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Chemistry	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cold pack, warehousing	Marketing services (Prod. and Mktg. Admin.).
Diseases:	
Control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Identification	Do.
Investigations of	Do.
Dried:	
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Flies:	
Hawaiian:	
Inspection	Plant quar. (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Mexican:	
Quarantine and control	Insect and plant-disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
High-quality factors	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Home canning	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Home freezing	Do.
Improvement:	
Through breeding and selection	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Through bud selection	Do.
Insects:	
Citrus	Insect inv. (Bu. Ento. and Pl. Quar.).
Pome fruit	Do.
Stone fruit	Do.
Irrigation for production of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Juices, processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Market inspection	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Market pathology	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Marketing	Marketing services (Prod. and Mktg. Admin.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Fruits(s)—Continued	
Physiological and biochemical studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pits for soft grit blasting	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Precooling	Sal. and exp. (Bu. Pl. Ind., Soils, and Agr. Eng.).
Preservation and preparation	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Preservation and processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Production and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Refrigeration methods	Do.
Rots and spots	Do.
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Small:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production	Do.
Spray residue work:	
Entomology and Plant Quarantine, Bureau of.	Insect inv. (Bu. Ento. and Pl. Quar.).
Plant Industry, Soils and Agricultural Engineering, Bureau of.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Statistical service	Crop and livestock est. (Bu. Agr. Econ.).
Storage:	
Buildings	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Physiological problems	Do.
Subtropical, diseases	Do.
Transportation and storage:	
Engineering problems	Do.
Physiological problems	Do.
Tree nursery-stock investigations	Do.
Uses	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Utilization, Western Regional Research Laboratory, Albany, Calif.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Vitamin and mineral content	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Worm:	
Tomato	Insect inv. (Bu. Ento. and Pl. Quar.).
Fuels:	
Alcohol-water mixtures	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Tests in full-scale engine	Do.
Fumigants, chemical studies	Insect inv. (Bu. Ento. and Pl. Quar.).
Greenhouse insects	Do.
Hydrocyanic-acid gas, for control of citrus insects.	Do.
Stored grain and cereal	Do.
Fundamental requirements, farm buildings	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fungal Amylase	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fungi, identification and classification of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fungicides:	
Dusting and spraying	Do.
Inspecting and testing under Federal Insecticide, Fungicide, and Rodenticide Act.	Marketing services (Prod. and Mktg. Admin.).
Investigating methods of testing and efficacy	Do.
Investigations	Insect inv. (Bu. Ento. and Pl. Quar.).
New (fruit diseases)	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Registration of	Marketing services (Prod. and Mktg. Admin.).
Furfural:	
Azelaic acid	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemical uses	Do.
Fur resources investigations	Animal research (Bu. An. Ind.).
Futures:	
Commodity	Sal. and exp. (Commod. Exch. Authority).
Cotton, Act, administration	Marketing services (Prod. and Mktg. Admin.).
Game and fish, development of resources and law enforcement, national forests.	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Garden City (Kans.), dry-land investigations at	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Gardening, vegetable	Do.
Garlic, wild, control	Do.
Gelsoy	Sal. and exp. (Bu. Agr. and Indus. Chem.).
General Basin Investigations:	
Arkansas-White-Red River Area	Flood prevention.
Colorado River Area	Do.
New England-New York Area	Do.
General forestry assistance	State and private forestry coop. (For. Serv.).
Genetic research, animal	Animal research (Bu. An. Ind.).
Genetics:	
And biophysics, plant	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Forest	Sal. and exp., forest research (For. Serv.).
Institute research center, Placerville, Calif.	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Geography, plant, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Ginning cotton:	
Engineering problems	Do.
Extension work in	Sal. and exp. (Ext. Serv.).
Laboratory:	
Mesilla Park, N. Mex	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Stoneville, Miss	Do.
Marketing studies	Marketing services (Prod. and Mktg. Admin.).
Gladiolus, disease	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Glendale (Ariz.), poultry station	Animal research (Bu. An. Ind.).
Glenn Dale (Md.), plant introduction garden	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Engr.).
Global edible spread	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Glue tests	Sal. and exp., forest research (For. Serv.).
Goat(s):	
And sheep insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Diseases, investigations	Animal research; erad. foot-and-mouth disease (Bu. An. Ind.).
Grazing on national forests	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Investigations	Animal research (Bu. An. Ind.).
Lice affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Milk investigations	Animal research (Bu. An. Ind.).
Screw worm affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Wood maggot affecting	Do.
Golden nematode:	
Control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Golden-seal culture	Do.
Gooseberries, improvement of wild varieties	Do.
Grade and staple, cotton, estimates	Marketing services (Prod. and Mktg. Admin.).
Grades and standards:	
Agricultural products	Do.
Alfalfa meal	Do.
Beans and soybeans	Do.
Butter	Do.
Cotton	Do.
Dairy and poultry products	Do.
Eggs	Do.
Fruits and vegetables	Do.
Grain	Do.
Hardwood lumber	Sal. and exp., forest research (For. Serv.).
Hay	Marketing services (Prod. and Mktg. Admin.).
Hops	Do.
Liquid sugar, sirups, and molasses	Do.
Livestock	Do.
Lumber	Sal. and exp., forest research (For. Serv.).
Meat and meat products	Marketing services (Prod. and Mktg. Admin.).
Naval stores	Do.
Rosin	Do.
Soybeans	Do.
Tobacco	Do.
Turpentine	Do.
Wool	Do.
Grading:	
Beef, service	Do.
Butter, service	Do.
Canned fruits and vegetables	Do.
Cheese, service	Do.
Egg, service	Do.
Grain, supervision of	Do.
Hardwood lumber	Sal. and exp., forest research (For. Serv.).
Hops	Marketing services (Prod. and Mktg. Admin.).
Lumber	Sal. and exp., forest research (For. Serv.).
Meat, service	Marketing services (Prod. and Mktg. Admin.).
Tobacco	Do.
Grain:	
Beetle, sawtoothed	Insect inv. (Bu. Ento. and Pl. Quar.).
Bins, construction and ventilation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Borer, lesser	Insect inv. (Bu. Ento. and Pl. Quar.).
Chemicals from	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemistry and utilization	Do.
Cleaning and handling studies	Marketing services (Prod. and Mktg. Admin.).
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Deterioration in storage	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Grain—Continued	
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Harvesting and handling methods	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Industrial outlets for	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Inspection and grading supervision	Marketing services (Prod. and Mktg. Admin.).
Investigations (market)	Do.
Kernel structure	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Machinery, cultivating, fertilizing, planting, and harvesting	Plant, soil, and agr eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Market news service	Marketing services (Prod.and Mktg. Admin.).
Marketing	Do.
Moth, Angoumois (stored grain)	Insect inv. (Bu. Ento. and Pl. Quar.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Rice	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Sorghums:	
Estimate of production	Crop and livestock est. (Bu. Agr. Econ.).
Exportation	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Standardization and grading	Marketing services (Prod. and Mktg. Admin.).
Standards Act, administration	Do.
Storage:	
Investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Structures	Plant, soil, and agr. eng. research (Bu Pl. Ind., Soils, and Agr. Eng.).
Stored, insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Vitamin studies	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Wheat	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Grants:	
Cooperative agricultural extension work	Extension Service.
Farm housing	Farmers' Home Admin.
To States and Territories	Coop. agr. ext. work (Ext. Serv.).
Grape(s):	
Baskets, standards for	Marketing services (Prod. and Mktg. Admin.).
Berry moth	Insect inv. (Bu. Ento. and Pl. Quar.).
Breeding investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
High quality factors	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Leafhopper	Do.
Muscadine, culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production investigations	Do.
Root worm	Insect inv. (Bu. Ento. and Pl. Quar.).
Stocks, Phylloxera-resistant	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Vinifera, investigations	Do.
Grapefruit:	
Concentrate	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Juice	Do.
Oil, process	Do.
Production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Grassed waterways	Sal. and exp. (Soil Consv. Serv.).
Research on	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Grasses:	
Breeding for lawns and turf	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Culture and improvement	Do.
Erosion resisting	Sal. and exp. (Soil Consv. Serv.).
Research on	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hay and pasture	Do.
Range	Sal. and exp. (Soil Consv. Serv.).
Studies in	Sal. and exp., forest research (For. Serv.).
Grasshopper:	
Control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Taxonomy	Do.
Graves, fire fighters	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Grazing:	
Control	Sal. and exp., forest research (For. Serv.); sal. and exp. (Soil Consv. Serv.).
Forest, studies in	Sal. and exp., forest research (For. Serv.).
Lands:	
Improvement and utilization	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
National forest(s):	
Regulation of use	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Survey	Do.
Management plans, national forests	Do.
Studies	Sal. and exp., forest research (For. Serv.).
Permits	Sal. and exp. (Soil Consv. Serv.).
Use	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Green manure(s):	
Crop	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research. (Bu. Pl. Ind., Soils, and Agr. Eng.); consv. and use of agr. land resources (Agrl. Consv. Programs).
Effect of soil organisms on decomposition	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Influence on:	
Maintaining soil fertility	Do.
Production of forage crops	Do.
Production of fruits and vegetables	Do.
Greenfield (Mass.):	
Headquarters northeastern region	Bu. Ento. and Pl. Quar.
Greenhouse(s):	
Experimental	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fumigation	Insect inv. (Bu. Ento. and Pl. Quar.).
Insect	Do.
Greeneville (Tenn.), tobacco investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Greenville (Tex.), cotton field station	Do.
Grinding of agricultural residues	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Grub, cattle:	
Entomological studies	Insect inv. (Bu. Ento. and Pl. Quar.).
Research on area control	Animal research (Bu. An. Ind.).
Guayule and other rubber plants:	
Breeding, disease, and production investigation(s).	Strat. and crit. agri. mats. research.
Gulfport (Miss.), headquarters, southeastern region.	Bu. Ento. and Pl. Quar.
Gullies, investigations of control of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Gully:	
Control	Do.
Erosion	Do.
Plantings	Do.
Guthrie (Okla.), soil management research station.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Gypsy and brown-tail moth control and quarantine.	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Gypsy moth:	
Quarantine and control	Do.
Hall scale eradication	Do.
Halogeton	Sal. and exp., forest research (For. Serv.).
Control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Eradication	Sal. and exp. (Soil Consv. Serv.).
Research on control methods	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hamper and basket act, standard, administration	Marketing services (Prod. and Mktg. Admin.).
Hard-fiber investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hardwood(s):	
Diseases	Do.
Investigations	Sal. and exp., forest research (For. Serv.).
Lumber grading	Do.
Northern, growth and yield	Do.
Southern, investigations in	Do.
Hardy perennials, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Harvesting:	
Machinery	Do.
Methods, farm	Econ. inv. (Bu. Agr. Econ.).
Hatch Act, appropriations to State agricultural experiment stations.	Hatch Act (O. E. S.).
Havre (Mont.), dry-land investigations at	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Hawaii:	
Appropriations for:	
Agricultural experiment stations:	
Bankhead-Jones Act	Title I, secs. 3, 5, 9, and 11, Bankhead-Jones Act (O. E. S.).
Experiment Station Act	Hawaii (O. E. S.).
Cooperative agricultural extension work:	
Additional extension work	Act of April 24, 1939 (Ext. Serv.).
Bankhead-Jones Act	Title II, secs. 21 and 23, Bankhead-Jones Act (Ext. Serv.).
Capper-Ketcham Act	Act of May 22, 1928 (Ext. Serv.).
Farm housing, extension work in	Title V, Housing Act of 1949 (Ext. Serv.).
Smith-Lever Act	Act of May 16, 1928 (Ext. Serv.).
Fruitfly: Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Inspection service	Plant quar. (Bu. Ento. and Pl. Quar.).
Hay:	
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Harvesting and processing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Market inspection	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Marketing	Do.
Pasture seeds, price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Standardization and grading	Marketing services (Prod. and Mktg. Admin.).
Hays (Kans.):	
Dry-land investigations at	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Headquarters, smoke-jumper training and facilities, Missoula, Mont.	Smoke-jumper facilities (For. Serv.).
Hearing Examiners, Office of	Sal. and exp. (Off. Secy.).
Heart rots	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Heating, farmhouse	Do.
Hedging on commodity exchanges	Sal. and exp. (Commod. Exch. Authority).
Hemipterous insects	Insect. inv. (Bu. Ento. and Pl. Quar.)
Hemostatic agents from starch	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Hemp:	
Fiber investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Henequen fiber investigations	Do.
Herb and spice plant investigations	Do.
Herbarium	Sal. and exp. forest research (For. Serv.).
Mycological collections	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Plant species collection	Nat'l Arboretum (Bu. Pl. Ind., Soils, and Agr. Eng.).
Herbicides:	
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Inspecting and testing under Federal Insecticide, Fungicide, and Rodenticide Act.	Marketing services (Prod. and Mktg. Admin.).
Investigating methods of testing and efficacy	Do.
Registration of	Do.
Heritable variations in plants	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hermiston (Oreg.), irrigation agriculture station	Do.
Hessian fly	Insect inv. (Bu. Ento. and Pl. Quar.).
Cereal varieties resistant to	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hevea rubber	Do.
Hides:	
And skins, processes and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Importation, supervision over	Animal disease control and erad. (Bu. An. Ind.).
Highways:	
Erosion control, demonstration and investigation.	Sal. and exp. (Soil Consv. Serv.).
Forest	Forest roads and trails (For. Serv.).
Hire of passenger motor vehicles	Sec. 401 (General Provisions).
Histology and chemistry of grain kernels	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hoboken (N. J.):	
Inspection service	Plant quar. (Bu. Ento. and Pl. Quar.).
Stored product insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Hog:	
Cholera:	
Control	Animal disease control and erad. (Bu. An. Ind.).
Research	Animal research (Bu. An. Ind.).
Station, Ames, Iowa	Do.
Diseases, investigations	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Grading studies	Marketing services (Prod. and Mktg. Admin.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Hog—Continued	
Investigations	Animal research (Bu. An. Ind.).
Tuberculosis eradication	Animal disease control and erad. (Bu. An. Ind.).
Vesicular exanthema	Animal disease control and erad.; animal research; erad. foot-and-mouth disease (Bu. An. Ind.).
Home:	
Demonstration work	Coop. agr. ext. work; sal. and exp. (Ext. Serv.).
Economics	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Management assistance	Farmers' Home Admin.
Homestead settlement and entry, national forest lands.	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Honey:	
Diversion	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Exportation	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Price-support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production studies	Insect inv. (Bu. Ento. and Pl. Quar.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Honolulu (Hawaii):	
Fruit insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Inspection service	Plant quar. (Bu. Ento. and Pl. Quar.).
Hookworm(s)	Animal research (Bu. An. Ind.).
Hop(s):	
Downy mildew	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Hopper, cotton	Insect inv. (Bu. Ento. and Pl. Quar.).
Hormone sprays	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Horses:	
Diseases, investigations	Animal research (Bu. An. Ind.).
Dourine eradication	Animal disease control and erad. (Bu. An. Ind.).
Investigations	Animal research (Bu. An. Ind.).
Scabies, mange eradication	Animal disease control and erad. (Bu. An. Ind.).
Horticultural crops:	
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Houma (La.):	
Sugar-plant station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sugarcane:	
And rice insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Products station	Sal. and exp. (Bu. Agr. and Indus. Chem.).
House(s):	
Ants	Insect inv. (Bu. Ento. and Pl. Quar.).
Farm:	
Plans for	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Space and facility needs in	Do.
Flies, affecting man	Insect inv. (Bu. Ento. and Pl. Quar.).
Furnishings	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Household equipment:	
Care	Do.
Home freezers	Do.
Operating characteristics of	Do.
Ranges, electric	Do.
Refrigerators	Do.
Selection	Do.
Washing machines	Do.
Housing:	
And household equipment investigations	Do.
Economics of	Do.
Farm:	
Construction estimates	Crop and livestock est. (Bu. Agr. Econ.).
Design of installed equipment	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Economic research	Econ. inv. (Bu. Agr. Econ.).
Extension work in	Title V, Housing Act of 1949 (Ext. Serv.).
Grants	Farmers' Home Administration.
Loans	Do.
Rural family needs and preferences	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Space requirements	Do.
Studies of lumber for	Forest research (For. Serv.).
Humus and organic soil constituents, experiments.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Huntley (Mont.):	
Dairy experiment station	Sal. and exp. (Bu. Dairy Ind.).
Irrigation agriculture investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hydraulics, irrigation and drains	Sal. and exp. (Soil Consv. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Hydrocyanic-acid gas fumingation:	
Citrus nsects	Insect inv. (Bu. Ento. and Pl. Quar.).
Grain and cereal	Do.
Hydrologic:	
Experiment stations:	
Coshocton, Ohio	Sal. and exp. (Soil Consv. Serv.).
Hastings, Nebr	Do.
Waco, Tex	Do.
Hydrology:	
Hydrologic research	Do.
Watershed	Do.
Hydroxystreptomycin	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Hyperkeratosis of cattle (x-disease)	Animal research (Bu. An. Ind.).
Identification and classification of insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Import:	
And permit service, plant quarantine act	Plant quar. (Bu. Ento. and Pl. Quar.).
Animals:	
Certification of pedigrees	Animal disease control and erad. (Bu. An. Ind.).
Inspection and quarantine	Do.
Hides and other animal byproducts, forage, etc., supervision.	Do.
Meat and meat food products, inspection	Meat insp. (Bu. An. Ind.).
Quotas, cooperation in determining the need for action under sec. 32, Act of Aug. 24, 1935.	Removal of surplus agricultural commod. (Foreign Agricultural Service).
Seeds, testing and regulation	Marketing services (Prod. and Mktg. Admin.).
Viruses, serums, and analogous products	Animal disease control and erad. (Bu. An. Ind.).
Improvements:	
Flood prevention, works of	Flood prevention.
Land	Sal. and exp. (Soil Consv. Serv.).
National forest, financed by private contributions.	Coop. work (For. Serv.).
National forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Range, national forest	Sal. and exp., nat'l. forest prot. and manag.; coop. range improvements. (For. Serv.).
Timber stand	Do.
Investigations	Sal. and exp., forest research (For. Serv.).
Income, farm estimates	Crop and livestock estimates (Bu. Agr. Econ.).
Indian-meal moth (affecting dried fruits)	Insect inv. (Bu. Ento. and Pl. Quar.).
Indio (Calif.), date culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Industrial:	
Fermentation studies	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Outlets for grain:	
Alcohol	Do.
Motor fuel	Do.
Use of farm products	Do.
Influenza, swine	Animal research (Bu. An. Ind.).
Informational work	Off. Inf.
Insecticides:	
Administration Act	Marketing services (Prod. and Mktg. Admin.).
And fungicides, investigations	Insect inv. (Bu. Ento. and Pl. Quar.).
Arsenical substitutes	Do.
Fungicides and disinfectants, inspection, and testing.	Do.
Improved methods of applying	Do.
Introducing new plants for	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Investigating methods of testing and efficacy	Marketing services (Prod. and Mktg. Admin.).
Investigating plants suitable for	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Investigation of manufacturing processes	Insect inv. (Bu. Ento. and Pl. Quar.).
Nicotine substitute	Do.
Registration of	Marketing services (Prod. and Mktg. Admin.).
Spraying machinery: Mechanical problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insect(s):	
Affecting—	
Food, feed, and fiber crops	Insect inv. (Bu. Ento. and Pl. Quar.).
Bee culture	Do.
Cereal and forage	Do.
Cotton	Do.
Fruit	Do.
Stored product	Do.
Truck crop and garden	Do.
Forests and forest products	Do.
Man and animals	Do.
Classification and identification	Do.
Contamination	Do.
Control:	
On forests, supervision	Do.
On national forests	Sal. and exp., nat'l forest prot. and manage.; control of forest pests (For. Serv.).
Hemipterous	Insect inv. (Bu. Ento. and Pl. Quar.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Insect(s)—Continued	
Pest Act of 1905, enforcement	Plant quar. (Bu. Ento. and Pl. Quar.).
Pest survey	Insect. inv. (Bu. Ento. and Pl. Quar.).
Taxonomy	Do.
Toxicology and physiology of	Do.
Inspection:	
Animal(s):	
Export	Animal disease control and erad. (Bu. An. Ind.).
Foods	Insp. of animal foods (Bu. An. Ind.).
Import	Animal disease control and erad. (Bu. An. Ind.)
Interstate shipment	Erad. foot-and-mouth disease; animal disease control and erad. (Bu. An. Ind.).
Antiseptics	Marketing services (Prod. and Mktg. Admin.).
Apples and pears for export	Perishable Agricultural Commodities Act Fund (Prod. and Mkg. Admin.).
Beans, market	Marketing services (Prod. and Mktg. Admin.).
Butter, market	Do.
Citrus fruits, market	Do.
Dairy and poultry products, market	Do.
Disinfectants	Do.
Egg, market	Do.
Farm products, market	Do.
Federal Experiment Station, Puerto Rico	Sal. and exp. (O. E. S.).
Fruits and vegetables:	
Fresh, export	Plant quar. (Bu. Ento. and Pl. Quar.).
Market	Marketing services (Prod. and Mktg. Admin.).
Fungicides	Do.
Grain, supervision	Do.
Hawaiian fruitfly, under Plant Quarantine Act.	Plant quar. (Bu. Ento. and Pl. Quar.).
Hay, market	Marketing services (Prod. and Mktg. Admin.).
Hides, and other animal byproducts, forage, etc. imported.	Animal disease control and erad. (Bu. An. Ind.).
Hops	Marketing services (Prod. and Mktg. Admin.).
Insecticides	Do.
Liquid sugar, sirups, and molasses	Do.
Market. (*See* Market inspection.)	
Meat:	
And meat food products:	
Exported	Meat insp. (Bu. An. Ind.).
Imported	Do.
Grading and stamping	Marketing services (Prod. and Mktg. Admin.).
Mediterranean fruitfly, under Plant Quarantine Act.	Plant quar. (Bu. Ento. and Pl. Quar.).
Melon fly, under Plant Quarantine Act	Do.
Naval stores	Marketing services (Prod. and Mktg. Admin.).
Nursery stock and plants, export	Plant quar. (Bu. Ento. and Pl. Quar.).
Poultry, market	Marketing services (Prod. and Mktg. Admin.).
Process butter	Sal. and exp. (Bu. Dairy Ind.).
Rice, market	Marketing services (Prod. and Mktg. Admin.).
Rosin	Do.
Service:	
Canadian border ports	Plant quar. (Bu. Ento. and Pl. Quar.).
District of Columbia, under Plant Quarantine Act.	Do.
Hawaiian Islands	Do.
Hoboken, N. J	Do.
Mexican border, under Plant Quarantine Act.	Do.
Port, under Plant Quarantine Act	Do.
Puerto Rican, under Plant Quarantine Act.	Do.
Soybean, supervision	Marketing services (Prod. and Mktg. Admin.).
Tobacco, market	Do.
Transit (plants)	Plant quar. (Bu. Ento. and Pl. Quar.).
Turpentine and rosin	Marketing services (Prod. and Mktg. Admin.).
Vegetables, market	Do.
Vessels carrying export animals	Animal disease control and erad. (Bu. An. Ind.).
Insulation, buildings	Sal. and exp., forest research (For. Serv.).
Insurance:	
Agricultural	Econ. inv. (Bu. Agr. Econ.).
Crop	Econ. inv. (Bu. Agr. Econ.); Fed. Crop Ins. Act (Fed. Crop Ins. Corp.).
Intermountain forest and range experiment station, Ogden, Utah.	Sal. and exp., forest research (For. Serv.).
International:	
Foreign agricultural relations concerning cotton, sugar, wheat agreements.	Sal. and exp. (Foreign Agricultural Service).
Wheat agreements	International Wheat Agreement.
Interstate transportation of livestock, control	Erad. foot-and-mouth disease; animal disease control and erad. (Bu. An. Ind.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con

Subject	Appropriation item
Irish-potato:	
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Irrigated:	
Coton, marketing studies	Marketing services (Prod. and Mktg. Admin.).
Land, drainage	Sal. and exp. (Soil Consv. Serv.).
Irrigation:	
Canals, experimental lining in	Do.
Citrus:	
Irrigation investigations on production of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Studies	Do.
Trees	Sal. and exp. (Soil Consv. Serv.).
Cotton, production of, under	Plant, soil, and agr. eng. research (Bu. Pl. Ind. Soils, and Agr. Eng.).
Districts:	
Organization, operation, and maintenance	Sal. and exp. (Soil Consv. Serv.).
Soil conservation, cooperation with	Do.
Economic:	
Appraisals of supplemental irrigation	Econ. inv. (Bu. Agr. Econ.).
Aspects of irrigation problems	Do.
Engineering, phases of	Sal. and exp. (Soil Consv. Serv.).
Erosion, as a result of	Do.
Research on	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Farm crops, production of, under	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Fruit and vegetables, production of, under	Do.
Humid regions	Sal. and exp. (Soil Consv. Serv.).
Studies of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Investigations	Do.
State substations:	
Bozeman, Mont	Do.
Brookings, S. Dak	Do.
Corvallis, Oreg	Do.
Fallon, Nev	Do.
Fort Collins, Colo	Do.
Grand Junction, Colo	Do.
Huntley, Mont	Do.
Laramie, Wyo	Do.
Lincoln, Nebr	Do.
Logan, Utah	Do.
Medford, Oreg	Do.
Mitchell, Nebr	Do.
Prosser, Wash	Do.
State College, N. Mex	Do.
Tucumcari, N. Mex	Do.
Weslaco, Tex	Do.
Yuma, Ariz	Do.
Stations:	
Brawley, Calif	Do.
Hermiston, Oreg	Do.
Mandan, N. Dak	Do.
Newell, S. Dak	Do.
Regional Salinity Laboratory	Do.
Riverside, Calif. (Rubidoux)	Do.
Land-leveling for	Sal. and exp. (Soil Consv. Serv.).
Laws	Do.
Pears in Oregon	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Projects; agricultural investigations	Do.
Supplemental irrigation, economic appraisals	Econ. inv. (Bu. Agr. Econ.).
Water:	
Conservation	Sal. and exp. (Soil Consv. Serv.).
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Flow	Sal. and exp. (Soil Consv. Serv.).
Forecasts from snow surveys	Do.
Measurement	Do.
Pumping	Do.
Quality of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Seepage in	Sal. and exp. (Soil Consv. Serv.).
Storage	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Utilization	Do.
Weed control in irrigated areas	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Irrigation and water conservation investigations in western areas:	
Arizona, Phoenix	Sal. and exp. (Soil Consv. Serv.).
California, Bakersfield	Do.
California, Berkeley	Do.
California, Los Angeles	Do.
California, Pomona	Do.
Colorado, Denver	Do.
Colorado, Ft. Collins	Do.
Colorado, Grand Junction	Do.
Idaho, Boise	Do.
Montana, Billings	Do.
Montana, Bozeman	Do.
Nebraska, Lincoln	Do.
Nevada, Reno	Do.
Oregon, Medford	Do.
Texas, Amarillo	Do.
Texas, Austin	Do.
Utah, Logan	Do.
Itaconic acid	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Ithaca (N. Y.), Regional Laboratory for Research into the Relationship of Soils to Plant, Animal, and Human Nutrition.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Japanese beetle:	
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Quarantine and control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Jeanerette (La.):	
Livestock station	Animal research (Bu. An. Ind.).
Judith basin branch (Moccasin, Mont.), dry-land investigations at.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Juices and juice concentrates:	
Fruit, preparation of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Vegetable, preparation of	Do.
Jute fiber investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
	Do.
Kale, fertilizer-distributing machinery	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Kansas City (Mo.), PMA Commodity Office	Insect inv. (Bu. Ento. and Pl. Quar.).
Kearneysville (W. Va.), fruit insect laboratory	
Kerrville (Tex.):	
Insects affecting livestock laboratory	Do.
Kiln drying of wood	Sal. and exp., forest research (For. Serv.).
Klamath weed	Insect inv. (Bu. Ento. and Pl. Quar.).
Knoxville (Tenn.) cotton field station	Plant, soil, and agr. eng. research (Bu. Pl. Ind. Soils, and Agr. Eng.).
Kok-saghyz (Russian dandelion):	
Breeding and improvement	Do.
Krim-saghyz:	
Breeding and improvement	Do.
Labor conditions for payment to sugar producers:	
Child labor prohibition	Sugar Act Program (Prod. and Mktg. Admin.).
Fair wage rates	Do.
Labor, farm, statistics	Econ. inv., crop and livestock est. (Bu. Agr. Econ.).
Laboratories:	
Cartographic	Sal. and exp. (Soil Consv. Serv.).
Seed testing	Do.
Soil testing	Do.
Laboratories, regional research:	
Eastern Regional Research Laboratory (Wyndmoor, Pa.).	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Northern Regional Research Laboratory (Peoria, Ill.).	Do.
Regional Animal Disease Laboratory (Auburn, Ala.).	Animal research (Bu. An. Ind.).
Regional Laboratory for Improvement of Viability in Poultry (East Lansing, Mich.).	Do.
Regional Laboratory for Research into the Relation of Soils to Plant, Animal, and Human Nutrition (Ithaca, N. Y.).	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Regional Pasture Research Laboratory (State College, Pa.).	Do.
Regional Salinity Laboratory (Riverside, Calif.).	Do.
Regional Sheep Breeding Laboratory (Dubois, Idaho).	Animal research (Bu. An. Ind.).
Regional Soybean Laboratory (Urbana, Ill.).	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regional Swine Breeding Laboratory (Ames, Iowa).	Animal research (Bu. An. Ind.).
Regional Vegetable Breeding Laboratory (Charleston, S. C.).	Plant, soil and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Southern Regional Research Laboratory (New Orleans, La.).	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Western Regional Research Laboratory (Albany, Calif.).	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Laboratory, forest products	Sal. and exp., forest research (For. Serv.).
La Crosse (Wis.):	
Conservation experiment station	Sal. and exp. (Soil Consv. Serv.).
Soil management research station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
La Fayette (Ind.):	
Cereal and forage insect laboratory	Insect. inv. (Bu. Ento. and Pl. Quar.).
Sweetpotato weevil treatment laboratory	Do.
LaJolla (Calif.) horticultural field station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Lake States forest experiment station (St. Paul, Minn.).	Sal. and exp., forest research (For. Serv.).
Laminated wood and spliced wood	Do.
Landing fields, maintenance, improvement, and construction of.	Preamble, sal. and exp. (For. Serv.).
Land(s):	
Acquisition; improvement, protection, and supervision.	Sal. and exp. (Soil Consv. Serv.).
Clearing methods	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Conservation and utilization programs, development.	Econ. inv. (Bu. Agr. Econ.); sal. and exp. (Soil Consv. Serv.).
Economics and utilization studies	Econ. inv. (Bu. Agr. Econ.).
Farm:	
Classification	Do.
Tenant Act, title III	Sal. and exp. (Soil Consv. Serv.).
Acquisition	Do.
Protection and administration	Do.
Foreclosed	Econ. inv. (Bu. Agr. Econ.).
Grazing, improvement utilization	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
National forest:	
Classification	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Entry surveys	Do.
Exchange	Do.
Regulation of use	Do.
Grazing:	
Forest investigations	Do.
Survey	Do.
Homestead settlement and entry	Do.
Mapping and surveying	Do.
Private occupancy, regulation	Do.
Range, investigations	Sal. and exp., forest research (For. Serv.).
Watershed investigations	Do.
Options to purchase for department use	Sec. 403 (General Provisions).
Purchases, options on	Do.
Recreational use	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Reform:	
Foreign	Sal. and exp. (Foreign Agricultural Service.).
Settlement of claims:	
Sebastian Martin boundary disputes	Sal. and exp. (Soil Consv. Serv.).
Submarginal, retirement of	Do.
Tenure	Econ. inv. (Bu. Agr. Econ.).
Treatment	Do.
Use:	
Adjustment	Sal. and exp. (Soil Consv. Serv.).
Capabilities	Do.
Investigations	Do.
Management	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Plans	Sal. and exp. (Soil Consv. Serv.).
Utilization and:	
Economic studies	Econ. inv. (Bu. Agr. Econ.).
Retirement of submarginal	Sal. and exp. (Soil Consv. Serv.).
Value studies	Econ. inv. (Bu. Agr. Econ.).
Landscape gardening	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Laramie (Wyo.), bee laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Lard: Futures trading	Sal. and exp. (Commod. Exch. Authority).
Lawns, grasses suitable for	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Leaf:	
Perforator, cotton	Insect inv. (Bu. Ento. and Pl. Quar.).
Weevils, clover	Do.
Leafhopper:	
Bean	Do.
Grape	Do.
Potato (on alfalfa and peanuts)	Do.
Sugar beet (entomological phases)	Do.
Leased-wire market news service	Marketing services (Prod. and Mktg. Admin.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Leather:	
Conservation and improvement of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Investigations	Do.
Lecithin from soybeans, composition and modification.	Do.
Legal work	Sal. and exp. (Off. Solicitor).
Legumes:	
Acid-tolerant	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Bacteria, nitrogen-fixing	Do.
Breeding	Do.
Diseases	Do.
Inoculation experiments	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Irrigation, investigations on production of, in California.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Production, insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Lespedezas and culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Breeding	Do.
Diseases	Do.
Production	Do.
Lesser grain borer	Insect inv. (Bu. Ento. and Pl. Quar.).
Lettuce:	
Diseases:	
Brown blight	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Investigations	Do.
Mildew	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Leukosis, avian complex	Animal research (Bu. An. Ind.).
Lewisburg (Tenn.) dairy experiment station	Sal. and exp. (Bu. Dairy Ind.).
Library, Department of Agriculture	Sal. and exp. (Library).
Lice	Insect inv. (Bu. Ento. and Pl. Quar.).
Life, rural, and farm population studies	Econ. inv. (Bu. Agr. Econ.).
Light, effects of, on growth and development of plants.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Lignin:	
Investigations	Sal. and exp., forest research (For. Serv.).
Lilies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Lima beans:	
Canker, survey	Do.
Culture and improvement	Do.
Diseases	Do.
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Lime for soil amendment	Do
Limestone application	Consv. and use of agr. land resources (Agr'l Consv. Programs).
Lincoln (Nebr.): Headquarters, region 5	Sal. and exp. Soil Consv. Serv.).
Linolenic acid	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Linseed oil:	
Exportation	Removal of surplus agricultural commodities (Prod. and Mktg. Admin.).
Liquidation and management of resettlement projects.	Payments in lieu of taxes and oper. and maint. costs, water consv. and util. projects (Soil Consv. Serv.).
Listing practices, studies of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Little-leaf diseases of:	
Fruits	Do.
Pine	Do.
Liver flukes	Animal research (Bu. An. Ind.).
Livestock:	
Diseases:	
Eradication	Erad. foot-and-mouth disease; animal disease control and erad. (Bu. An. Ind.).
Investigations of the existence of	Do.
Regional Animal Disease Laboratory	Animal research (Bu. An. Ind.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Export, inspection and testing	Animal disease control and erad. (Bu. An. Ind.).
Field stations:	
Ames, Iowa	Animal research (Bu. An. Ind.).
Beltsville, Md	Do.
Big Spring, Tex	Do.
Brooksville, Fla. (Chinsegut Hill Sanctuary)	Do.
Dubois, Idaho	Do.
Fort Reno, Okla	Do.
Fort Robinson, Nebr	Do.
Front Royal, Va	Do.
Glendale, Ariz. (poultry only)	Do.
Jeanerette, La	Do.
Miles City, Mont	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con

Subject	Appropriation item
Livestock—Continued	
Housing and shelters	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Humane treatment in transit (28-hour law)	Animal disease control and erad. (Bu. An. Ind.).
Import, inspection, and quarantine	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Interstate shipment, control	Animal disease control and erad. (Bu. An. Ind.).
Management	Animal research (Bu. An. Ind.).
National forest range	Sal. and exp., forest research (For. Serv.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Marketing	Do.
Research	Econ. inv. (Bu. Agr. Econ.).
Meat and meat food products:	
Exported	Meat insp. (Bu. An. Ind.).
Imported	Do.
Poisoning by plants	Animal research (Bu. An. Ind.).
Production:	
Economic factors	Econ. inv. (Bu. Agr. Econ.).
General	Animal research (Bu. An. Ind.).
Products, investigations	Do.
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Standardization and grading	Marketing services (Prod. and Mktg. Admin.).
Statistics	Crop and livestock est. (Bu. Agr. Econ.).
Treatment for worms	Animal research (Bu. An. Ind.).
Livestock and meats situation reports	Econ. inv. (Bu. Agr. Econ.).
Living standards	Econ. inv. (Bu. Agr. Econ.); sal. and exp. (Bu. Human Nutri. and Home Econ.).
Loan to Secretary of Agriculture for agricultural conservation purposes.	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Loans:	
Basic commodities and nonbasic commodities	Do.
Disaster	Disaster loans, etc., revolving fund, Department of Agriculture.
Farm housing	Farmers' Home Admin.
Farmers' crop-production and harvesting loans.	Do.
Fur farmers	Disaster loans, etc., revolving fund, Department of Agriculture.
Price support, agricultural commodities	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production and subsistence	Farmers' Home Admin.
Rehabilitation	Do.
Rural:	
Electrification	Loans (Rural Elec. Admin.).
Telephones	Do.
Storage facility	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Tenancy	Farmers' Home Admin.
Water facilities	Do.
Locoweed control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Locust borer	Insect inv. (Bu. Ento. and Pl. Quar.).
Lodging	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Logan (Utah):	
Bee culture laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Headquarters, Division of Irrigation	Sal. and exp. (Soil Consv. Serv.).
Truck crop insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Log: Prices	Sal. and exp., forest research (For. Serv.).
Logging:	
And forestry, research	Do.
Machinery, investigations in design of	Do.
On national forests	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
London plane disease	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Louisiana:	
Sugarcane:	
Land-drainage investigations	Do.
Sugar-plant station, Houma	Do.
Lubricants, synthetic, from soybean fatty acids	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Lumber:	
Consumption	Sal. and exp., forest research (For. Serv.).
Distribution	Do.
Grading	Do.
Prices	Do.
Production	Do.
Sapstain-control studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Standardization	Sal. and exp., forest research (For. Serv.).
Storage studies	Do.
Waste	Do
Lunch Program, School	National School Lunch Program (Prod. and Mktg. Admin.).
Lygus plant bug on:	
Alfalfa seed	Insect inv. (Bu .Ento. and Pl. Quar.).
Cotton	Do.
Lettuce seed and beet	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Machinery:	
Cotton production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Development for soil and water conservation and drainage practices.	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Energy requirements	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Farm	Do.
Operating costs, distributing	Econ. inv. (Bu. Agr. Econ.).
Fertilizer distributing	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fiber flax investigations	Do.
For mulch culture	Do.
Logging, investigation in design of	Sal. and exp., forest research (For. Serv.).
Peanut production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pest control	Do.
Sansevieria, ramie, and other fiber investigations.	Do.
Spray equipment for pest and plant disease control.	Do.
Sugar beet production	Do.
Sugar cane production	Do.
Sweetpotato production	Do.
Weed control	Do.
Madison (Wis.):	
Barley and malt laboratory	Do.
Bee laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Forest products laboratory (forest products research).	Sal. and exp., forest research (For. Serv.).
Maggot:	
Apple	Insect inv. (Bu. Ento. and Pl. Quar.).
Cotton flower	Do.
Mail, penalty	Penalty mail (Dept. Agr.).
Maintenance, access roads	Forest roads and trails (For. Serv.).
Malts:	
Barley Malting Laboratory, Madison, Wis.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Substitutes for alcohol production	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Man, insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Management:	
And liquidation of resettlement projects	Payments in lieu of taxes and oper. and maint. costs, water consv. and util. projects (Soil Consv. Serv.);
Farm:	
And organization	Econ. inv. (Bu. Agr. Econ.).
Wildlife	Sal. and exp. (Soil Consv. Serv.).
Forest studies	Sal. and exp., forest research (For. Serv.).
Grazing studies	Do.
Land	Sal. and exp. (Soil Consv. Serv.).
Livestock	Animal research (Bu. An. Ind.).
National forest properties	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Range	Sal. and exp., (Soil Consv. Serv.).
Studies	Sal. and exp., forest research (For. Serv.).
Woodland	Sal. and exp., (Soil Consv. Serv.).
Mandan (N. Dak.):	
Dairy experiment station	Sal. and exp. (Bu. Dairy Ind.).
Dry-land management station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Soil-testing laboratory	Sal. and exp. (Soil Consv. Serv.).
Mange mites, animal	Animal research (Bu. An. Ind.).
Mange (scabies) eradication	Animal disease control and erad. (Bu. An. Ind.).
Mango	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Manhattan (Kans.):	
Stored products insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Manure, green:	
Effect of soil organisms on decomposition	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Influence:	
In maintaining soil fertility	Do.
On production of forage crops	Do.
On production of fruits and vegetables	Do.
Maple:	
Diseases	Do.
Investigations on developing new and improved products from.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Mapping and surveying:	
Farm conservation	Sal. and exp. (Soil Consv. Serv.).
National forest lands	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Soils	Sal. and exp. (Soil Consv. Serv.).
Maps, land classification	Econ. inv. (Bu. Agr. Econ.); sal. and exp. (Soil Consv. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Marcellus (N. Y.), soil management research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Market(s):	
Analysis and price trends	Econ. inv. (Bu. Agr. Econ.).
Commodity futures	Sal. and exp. (Commod. Exch. Authority).
Demand analyses	Econ. inv. (Bu. Agr. Econ.).
Diseases:	
Flowers	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fruits	Do.
Vegetables	Do.
Foreign	Sal. and exp. (Foreign Agricultural Service).
Information	Marketing services (Prod. and Mktg. Admin.).
Inspection:	
Beans	Do.
Butter	Do.
Citrus fruits	Do.
Cottonseed	Do.
Dairy and poultry products	Do.
Farm products	Do.
Fruits and vegetables	Do.
Grains	Do.
Hay	Do.
Hops	Do.
Liquid sugar, sirups and molasses	Do.
Meat grading	Do.
Peas	Do.
Rice	Do.
Seed	Do.
Service fees to cover	Do.
Tobacco	Do.
Vegetables	Do.
Wool grading	Do.
News service (see Market News)	Do.
News:	
Beans	Do.
Butter	Do.
Cheese	Do.
Cold-storage reports	Do.
Cotton	Do.
Cottonseed	Do.
Dairy and poultry products	Do.
Feeds	Do.
Fruits and vegetables	Do.
Grain	Do.
Hay	Do.
Honey	Do.
Hops	Do.
Leased wire	Do.
Livestock, meats and wool	Do.
Molasses and sugarcane sirups	Do.
Peanuts	Do.
Poultry products	Do.
Radio	Do.
Rice	Do.
Seeds	Do.
Telegraphic	Do.
Television	Do.
Tobacco	Do.
Vegetables	Do.
Outlook reports	Econ. inv. (Bu. Agr. Econ.).
Pathology of:	
Fruits	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Vegetables	Do.
Price trends and market analyses	Econ. inv. (Bu. Agr. Econ.).
Production, crops:	
Statistics, foreign countries	Sal. and exp. (Foreign Agricultural Services).
Storage and transportation facilities	Marketing services (Prod. and Mktg. Admin.).
Marketing:	
Abundant foods	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Agreements	Do.
Agricultural Marketing Act:	
Research	Agricultural Marketing Act.
Services	Do.
And production:	
In foreign countries, statistics	Sal. and exp. (Foreign Agricultural Service).
Statistics	Econ. inv. (Bu. Agr. Econ.).
And transportation situation reports	Do
Assistance	Marketing services (Prod. and Mktg. Admin.).
Cotton	Do.
Cottonseed	Do.
Dairy products	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Marketing—Continued	
Egg	Marketing services (Prod. and Mktg. Admin.).
Farm products	Do.
Feed	Do.
Foreign	Sal. and exp. (Foreign Agricultural Service).
Fruit	Marketing services (Prod. and Mktg. Admin.).
Grain	Do.
Hay	Do.
Hops	Do.
Livestock	Do.
Margins and costs	Econ. inv. (Bu. Agr. Econ.).
Meat	Marketing services (Prod. and Mktg. Admin.).
Methods	Econ. inv. (Bu. Agr. Econ.).
Methods and practices	Marketing services (Prod. and Mktg. Admin.).
Milk	Do.
Orders	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Outlets	Econ. inv. (Bu. Agr. Econ.).
Potatoes	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Poultry products	Marketing services (Prod. and Mktg. Admin.).
Practices, improvement of	Do.
Quotas and acreage allotments:	
Cotton	Agricultural adjustment programs (Prod. and Mktg.).
Peanuts	Do.
Tobacco	Do.
Seed	Marketing services (Prod. and Mktg. Admin.).
Services	Agricultural Marketing Act.
State cooperation	Marketing services (Prod. and Mktg. Admin.).
Statistics:	
Dairy	Crop and livestock est. (Bu. Agr. Econ.).
Foreign countries	Sal. and exp. (Foreign Agricultural Service).
Poultry	Crop and livestock est. (Bu. Agr. Econ.).
Seed	Do.
Transportation records	Do.
Studies:	
Foreign countries	Sal. and exp. (Foreign Agricultural Service).
General	Econ. inv. (Bu. Agr. Econ.).
Sugar quotas and allotments	Sugar Act Program (Prod. and Mktg. Admin.).
Tobacco	Marketing services (Prod. and Mktg. Admin.).
Vegetables	Marketing services (Prod. and Mktg. Admin.); sal and exp. (Bu. Human Nutri. and Home Ec n.).
Wool	Marketing services (Prod. and Mktg. Admin.).
Mastitis research	Animal research (Bu. An. Ind.).
Materials:	
Strategic and critical agricultural materials	Strat. and crit. agr. mats. research.
Mayaguez (P. R.), Department experiment station.	Sal. and exp. (O. E. S.).
McCredie (Mo.), soil management research station.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
McNary-McSweeney Act:	
Forest:	
Economics	Sal. and exp., forest research (For. Serv.).
Experiment stations	Do.
Insect work	Insect inv. (Bu. Ento. and Pl. Quar.).
Management (experiment stations)	Sal. and exp., forest research (For. Serv.).
Pathological work	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Products investigations	Sal. and exp., forest research (For. Serv.).
Range investigations	Do.
Survey	Do.
Silvical investigations	Do.
Wood products insect investigations	Insect inv. (Bu. Ento. and Pl. Quar.).
Measures:	
Primarily for flood prevention	Flood prevention.
Meat:	
And meat food products imported, inspection	Meat insp. (Bu. An. Ind.).
And meat products, grading studies	Marketing services (Prod. and Mktg. Admin.).
Cookery	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Grading service	Marketing services (Prod. and Mktg. Admin.).
Inspection, determination of bacteriological, pathological, and zoological conditions.	Meat insp. (Bu. An. Ind.).
Inspection act, administration	Do.
Investigations	Animal research (Bu. An. Ind.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Marketing	Do.
Quality studies	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Standardization and grading	Marketing services (Prod. and Mktg. Admin.).
Mechanical equipment, farm	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mechanization, farm, economics of	Econ. inv. (Bu. Agr. Econ.).
Melon	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Memberships in societies and associations	Sal. and exp. (Library).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Meridian (Miss.) field station:	
Fruit, vegetable, and pecan inv.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sugarcane inv.	Do.
Mesilla Park (N. Mex.), cotton ginning branch laboratory.	Do.
Metal inactivators for flavor stability of oils	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Methodology, statistical	Crop and livestock est. (Bu. Agr. Econ.).
Mexican:	
Border inspection service, under plant quarantine act.	Plant quar. (Bu. Ento. and Pl. Quar.).
Fruitfly:	
Quarantine and eradication	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Mexico: Foot-and-mouth disease, control and eradication.	Erad. foot-and-mouth disease (Bu. An. Ind.).
Mexico City (Mexico):	
Fruit insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Microbiology:	
Food and feeds	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Soil, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Microfilming of records	Sal. and exp. (Office of Secretary).
Microfilms, sale of	Sal. and exp. (Library).
Micro-organisms:	
Antibiotic production	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Industrial importance of	Do.
Microscopic method of determining milling quality of wheat.	
Migration of farm labor	Econ. inv. (Bu. Agr. Econ.).
Mildew:	
Downy, hops	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Miles City (Mont.), livestock station	Animal research (Bu. An. Ind.).
Milk:	
Bacteriology and chemistry	Sal. and exp. (Bu. Dairy Ind.).
Byproducts	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Goats, investigations	Animal research (Bu. An. Ind.).
Marketing studies	Econ. inv. (Bu. Agr. Econ.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production	Econ. inv. (Bu. Agr. Econ.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Skim, chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Utilization	Sal. and exp. (Bu. Dairy Ind.).
Wastes, disposal of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Mill feeds: Futures trading	Sal. and exp. (Commod. Exch. Authority).
Mill insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Milling and baking characteristics of wheat varieties.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Milling of grains	
Milwaukee (Wis.):	
Forest insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Headquarters, region 3	Sal. and exp. (Soil Consv. Serv.)
Mimosa	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mineral:	
Content of foods	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Deficiencies in soils	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Nutrients of soils	
Mink:	
Fur-resources investigations	Animal research (Bu. An. Ind.).
Minneapolis (Minn.):	
Headquarters north central region	Bu. Ento. and Pl. Quar.
PMA Commodity Office	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Minnesota:	
Superior national forest, acquisition of forest lands in.	Acquisition of forest land, Sup. Nat'l For. (For. Serv.).
Minot (N. Dak.):	
Wheat-stem sawfly laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Missoula (Mont.), Northern Rocky Mountain forest and range experiment station.	Sal. and exp., forest research (For. Serv.).
Missouri River Basin:	
Soil:	
Management investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Surveys	Sal. and exp. (Soil Consv. Serv.).
Mitchell (Nebr.) (Scottsbluff), irrigation agriculture investigations at.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Mites:	
And extoparasites, taxonomy	Insect inv. (Bu. Ento. and Pl. Quar.).
Cyclamen, affecting greenhouse plants	Do.
Mange, animals	Animal research (Bu. An. Ind.).
Orchard	Insect inv. (Bu. Ento. and Pl. Quar.).
Rust, citrus	Do.
Tomato russett	Do.
Moccasin (Mont.), dry-land investigations at	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mohair, price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Moisture content of wood	Sal. and exp., forest research (For. Serv.).
Molasses:	
Cane	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Citrus	Do.
Market news service	Marketing services (Prod. and Mktg. Admin.).
Standardization and grading	Do.
Sucrose	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Molds:	
Development of industrially important strains.	Do.
Survey of	Do.
Montgomery (Ala.), cooperative seed-testing laboratory.	Marketing services (Prod. and Mktg. Admin.).
Monticello (Fla.). pecan insects laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Moorestown (N. J.):	
Biological control laboratory	Do.
Japanese beetle laboratory	Do.
Peach insect laboratory	Do.
Mormon cricket:	
Control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Moro (Oreg.), dry-land investigations at	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mortgage, farm:	
Finance	Econ. inv. (Bu. Agr. Econ.).
Tenant, insured	Farmers' Home Admin.
Mosaic, peach, eradication	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Moscow (Idaho). truck crop insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Mosquito laboratories:	
Corvallis, Oregon	Do.
Orlando, Florida	Do.
Moths:	
Berry, grape	Do.
Borer, sugarcane	Do.
Clothes	Do.
Flour, Mediterranean	Do.
Fruit, oriental	Do.
Grain, Angoumois	Do.
Gypsy and brown-tail:	Do.
Quarantine and control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Indian meal:	
Affecting dried fruits	Insect inv. (Bu. Ento. and Pl. Quar.).
Affecting stored grain	Do.
Pine shoot	Do.
Taxonomy	Do.
Motion pictures	Working capital fund (Off. Secy.); sal. and exp. (Office of Information).
Motor:	
Fuels:	
Alcohol-water injection	Sal. and exp. (Bu. Agr. and Indus. Chem.).
From agricultural materials	Do.
Tests in full-scale engines	Do.
Testing of motor fuels	Do.
Vehicles:	
Hire	Sec. 401 (General Provisions).
Passenger-carrying, for field service	Do.
Mountain pine beetle	Insect inv. (Bu. Ento. and Pl. Quar.).
Muck soils:	
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Truck-crop production on	Do.
Mulching	Sal. and exp. (Soil Consv. Serv.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mule investigations	Animal research (Bu. An. Ind.).
Multiple crops: Crop insurance	Fed. Crop Ins. Corp.
Muscadine grapes, culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Mushroom:	
Baskets, standards for	Marketing services (Prod. and Mktg. Admin.).
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Muskmelon:	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Production	Do.
Mutual Security Act, work under	Sal and exp. (Foreign Agricultural Service).
Mycological:	
Collections	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Investigations	Do.
Mycology and disease survey	Do.
Nail-head rust, disease investigations	Do.
Narcissus and other Dutch bulbs:	
Diseases	Do.
Production	Do.
Quarantine, foreign	Plant quar. (Bu. Ento. and Pl. Quar.).
National:	
Arboretum (Washington, D. C.,) maintenance and operation.	Nat'l Arboretum (Bu. Pl. Ind., Soils, and Agr. Eng.).
Food supply, nutritive value of	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Forest Reservation Commission	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Forest(s):	
Administration:	
Region 1, Missoula, Mont	Do.
Region 2, Denver, Colo	Do.
Region 3, Albuquerque, N. Mex	Do.
Region 4, Ogden, Utah	Do.
Region 5, San Francisco, Calif	Do.
Region 6, Portland, Oreg	Do.
Region 7, Washington, D. C	Do.
Region 8, Atlanta, Ga	Do.
Region 9, Milwaukee, Wis	Do.
Region 10, Juneau, Alaska	Do.
Tropical region, Rio Piedres, P. R	Sal. and exp., nat'l forest prot. and manage., forest research (For. Serv.).
Campgrounds, sanitation and fire prevention.	Sal. and exp., nat'l forest prot. and manage., (For. Serv.).
Experiment stations	Sal. and exp., forest research (For. Serv.).
Fires, fighting	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Grazing studies	Sal. and exp., forest research (For. Serv.).
Homestead settlement and entry	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Improvements	Do.
Insect control	Do.
Lands:	
Classification	Do.
Exchange	Do.
Grazing, regulation of use	Do.
Mapping and surveying, national forests	Do.
Private occupancy, regulation of	Do.
Recreational use of	Do.
Logging	Do.
Nurseries	Do.
Planting, tree	Do.
Protection and administration	Do.
Protection of water resources	Do.
Protection, studies in	Sal. and exp., forest research (For. Serv.).
Range management	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Resources, surveys	Do.
Roads and trails (improvements)	Do.
Parks:	
Forest diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insect control, supervision	Control of Forest Pests (Bu. Ento. and Pl. Quar.).
Poultry and turkey improvement plans	Animal research (Bu. An. Ind.).
School lunch program	National School Lunch Program (Prod. and Mktg. Admin.).
Naval stores, gum:	
Act, administration	Marketing services (Prod. and Mktg. Admin.).
Composition and properties	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Conservation program	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
Inspection	Marketing services (Prod. and Mktg. Admin.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Naval stores gum—Continued	
Investigations:	
Processing and processing equipment	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Southeastern forest experiment station	Sal. and exp., forest research (For. Serv.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Price support program	Commod. Credit Admin. (Prod. and Mktg. Admin.).
Research station, Olustee, Fla	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Rosin	Do.
Service operations	Marketing services (Prod. and Mktg. Admin.).
Statistics	Crop and livestock est. (Bu. Agr. Econ.).
Turpentine	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Necrotic enteritis	Animal research (Bu. An. Ind.).
Nema investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Nematode investigations	Do.
Nematology	Do.
Nevada National Forest (Nev.), acquisition of forest lands within.	Acquisition of lands from National forest receipts receipt limitation (For. Serv.).
New Haven, Conn.:	
Forest insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
New Mexico research center	Sal. and exp., forest research (For. Serv.).
New Orleans (La.):	
PMA commodity office	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Southern forest and range experiment station	Sal. and exp., forest research (For. Serv.).
Southern Regional Research Laboratory	Sal. and exp. (Bu. Agr. and Indus. Chem.).
New uses, diversion to	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Newcastle disease	Animal research (Bu. An. Ind.).
Newell (S. Dak.):	
Dry land and irrigation investigation (Belle Fourche) station.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Newlands irrigation agricultural station, Fallon, Nev.	Do.
News service, market (See Market news service)	Marketing services (Prod. and Mktg. Admin.).
Newsprint	Sal. and exp., forest research (For. Serv.).
From bagasse pulp	Sal. and exp. (Bu. Agri. and Indus. Chem.).
New York (N. Y.), PMA commodity office	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Nicotine: Breeding high nicotine tobaccos	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Nitrogen, production investigations	Do.
Nitrogen-fixing legume bacteria	Do.
Nodular worms	Animal research (Bu. An. Ind.).
Nonbasic commodities, price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Nonfood assistance	Nat'l. School Lunch Program (Prod. and Mktg. Admin.).
Norfolk (Va.), bean-beetle laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
North Platte (Nebr.), dry-land investigations at.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Northeastern forest experiment station, Philadelphia, Pa.	Sal. and exp., forest research (For. Serv.).
Northern Regional Research Laboratory, Peoria, Ill.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Northern Rocky Mountain forest and range experiment station, Missoula, Mont.	Sal. and exp., forest research (For. Serv.).
Northwest (Pacific) forest and range experiment station, Portland, Oreg.	Do.
Nurseries:	
Conservation	Sal. and exp. (Soil Consv. Serv.).
Forest nursery diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Forest tree	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Problems on national forests	Do.
Stock:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Disinfection	Do.
Forest	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Ornamental	Do.
Production	Do.
Root	Do.
Storage	Do.
Nursery and planting research	Sal. and exp., forest research (For. Serv.).
Nut(s):	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Case bearer, pecan	Insect inv. (Bu. Ento. and Pl. Quar.).
Development of hardy northern varieties	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Nut(s)—Continued	
Estimate of production	Crop and livestock est. (Bu. Agr. Econ.).
Grass, control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Shells for soft grit blasting	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Tung culture and improvement	Plant, soil and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Nutrition:	
And home economics services, coordination of.	Sal. and exp. (Bu. Human Nutri.and Home Econ.).
Animal, research	Animal research (Bu. An. Ind.).
Chemical factors	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Dairy cattle	Sal. and exp. (Bu. Dairy Ind.).
Human:	
Amino acid requirements	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Digestibility of foods	Do.
Fatty acid requirements	Do.
Food consumption	Do.
Food energy requirements	Do.
Nutritional requirements	Do.
Nutritional status of people	Do.
Nutritive values of food	Do.
Protein investigations	Do.
Vitamin and mineral studies	Do.
Vitamin requirements	Do.
Protein investigations	Do.
Regional Laboratory for Research into the Relation of Soils to Plant, Animal and Human Nutrition.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Nutritional diseases of fruits	Do.
Oak diseases	Do.
Oakland (Calif.):	
Headquarters, western region	Bu. Ento. and Pl. Quar.
Oats:	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Price-support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Supervision of inspection	Marketing services (Prod. and Mktg. Admin.).
Wild, control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Observational plantings	Sal. and exp. (Soil Consv. Serv.).
Occupancy (private) of national forest lands	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Ogden (Utah):	
Forest insect laboratory	Insect. inv. (Bu. Ento. and Pl. Quar.).
Intermountain forest and range experiment station.	Sal. and exp., forest research (For. Serv.).
Oil(s):	
And fats situation reports	Econ. inv. (Bu. Agr. Econ.).
Castor	Strat. and crit. agr. mats. research.
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Color-grading	Do.
Corn	Do.
Cottonseed	Do.
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Drying	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Edible spread	Do.
Essential, plants for	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Global edible spread	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Grapefruit	Do.
Insecticidal value	Insect inv. (Bu. Ento. and Pl. Quar.).
Linolenic acid	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Metal inactivators	Do.
Olive, price support program	Commodity Credit Corp. (Prod. and Mktg. Admin.).
Orange	Sal. and exp. (Bu. Agr. and Indus.Chem.).
Peanut	Do.
Rancidity of	Do.
Rice bran	Do.
Road oil additive	Do.
Safflower	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Oil(s)—Continued	
Soybean:	
Flavor stability	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Margarine	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Salad oils	Do.
Shortenings	Do.
Storage	Do.
Tung, investigations	Do.
Vegetable and other (composition, reactions, etc.).	Do.
Vegetable, production	Strat. and crit. agr. mats. research.
Wax investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Oilseeds: Food products	Do.
Oklahoma City (Okla.):	
Aircraft and special equipment center	Bu. Ento. and Pl. Quar.
Olustee (Fla.), Naval Stores Station	Sal. and exp. (Bu. Agr. and Indus. Chem.).
One-variety cotton community production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Onions:	
Breeding	Do
Culture	Do.
Diseases	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Market inspection service	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Storage	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Operations area	Sal. and exp. (Soil Consv. Serv.).
Orange(s):	
Concentrates	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fruitflies research	Insect inv. (Bu. Ento. and Pl. Quar.).
Juice preservation	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Oil, process	Do.
Production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Satsuma, investigations	Do.
Orchard: Fruit diseases	Do
Orders, marketing	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Organic fertilizer problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Organization, farm, studies	Econ. inv. (Bu. Agr. Econ.).
Oriental:	
Fruitfly	Insect inv. (Bu. Ento. and Pl. Quar.).
Fruit moth	Do.
Orlando (Fla.):	
Citrus investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mosquito laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Ornamental(s):	
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Nursery stock investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Plant and mushroom insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Tree diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Outlook reports, market	Econ. inv. (Bu. Agr. Econ.).
Overgrazing	Sal. and exp. (Soil Consv. Serv.)
Studies of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Oxford (N. C.):	
Tobacco:	
Insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Production and improvement research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Oxwarbles:	
Animal-disease aspect	Animal research (Bu. An. Ind.).
PMA Commodity Offices:	
Chicago, Ill	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Dallas, Tex	Do.
Kansas City, Mo	Do.
Minneapolis, Minn	Do.
New Orleans, La	Do.
New York, N. Y	Do.
Portland, Oreg	Do.
San Francisco, Calif	Do.
Pacific Northwest forest and range experiment station, Portland, Oreg.	Sal. and exp., forest research (For. Serv.).
Packers and Stockyards Act, administration	Marketing services (Prod. and Mktg. Admin.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Paint, nonmetallic farm	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Papaya, miscellaneous studies on	Do.
Paper:	
And paper products from bagasse and straw pulps.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
And pulp investigations	Sal. and exp., forest research (For. Serv.).
Paralysis, range (fowl)	Animal research (Bu. of An. Ind.).
Parasites:	
Animal, including poultry	Do.
Cotton pink bollworm, introduction and propagation.	Insect inv. (Bu. Ento. and Pl. Quar.).
European corn borer, importation and colonization.	Do.
Foreign	Do.
Forest insects, importation and colonization	Do.
Japanese beetle, importation and colonization	Do.
Sugarcane moth borer, importation and colonization.	Do.
Taxonomic investigations	Do.
Paratuberculosis of animals (Johne's disease):	
Eradication	Animal disease control and erad. (Bu. An. Ind.).
Research	Animal research (Bu. An. Ind.).
Park tree:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Pasadena (Calif.) fruit and vegetable chemistry laboratory.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Passenger motor vehicles:	
Field	Sec. 401 (General Provisions).
Office of the Secretary	Sal. and exp. (Off. Secy.).
Pasture(s):	
And ranges, improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Establishment	Sal. and exp. (Soil Consv. Serv.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Permanent, in erosion control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Research Laboratory	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Seeding, conservation practices	Consv. and use of agr. land resources (Agr.'l Consv. Programs).
Southern, improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pathological collections (plant)	Do.
Payments:	
Conditional, to sugar growers	Sugar Act Program (Prod. and Mktg. Admin.).
Conservation practice	Consv. and use of agr. land resources (Agr.'l Consv. Programs).
For:	
Agricultural conservation	Do.
Diversion:	
To byproducts	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
To new uses	Do.
Export encouragement	Do.
To counties	Payments due counties, submarg. land program, Farm Tenant Act (Soil Consv. Serv.).
Pea(s):	
Aphid	Insect inv. (Bu. Ento. and Pl. Quar.).
Chemistry of, preserved by freezing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer-distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
For canning, diseases	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Market inspection	Marketing services (Prod. and Mktg. Admin.).
Root diseases	Plant, soil, and agr. eng research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Standards	Marketing services (Prod. and Mktg. Admin.).
Weevil (stored peas)	Insect inv. (Bu. Ento. and Pl. Quar.).
Peach(es)	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Relation of insects to	Insect inv. (Bu. Ento. and Pl. Quar.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Freezing preservation	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.)

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Peach(es)—Continued	
Mosaic	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Eradication	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Moth, oriental fruit, affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Phony disease:	
Eradication	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Plum curculio, affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Tree borer	Insect inv. (Bu. Ento. and Pl. Quar.).
Peanut(s):	
Butter	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemistry and utilization	Do.
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crops and livestock est. (Bu. Agr. Econ.).
Exportation	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Fertilizer-distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Marketing quotas	Agricultural adjustment programs (Prod. and Mktg. Admin.).
Oil	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Production and harvesting machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind. Soils, and Agr. Eng.).
Stocks and standards	Crop and livestock est. (Bu. Agr. Econ.).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Pear(s):	
Blight	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Breeding	Do.
Canning	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Production problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regulation of exports under Export Apple and Pear Act.	Perishable Agricultural Commodities Act Fund (Prod. and Mktg. Admin.).
Waste:	
Utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Peat-soil investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pecan:	
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer experiments	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insect investigations	Insect inv. (Bu. Ento. and Pl. Quar.).
Nut case bearer	Do.
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Shuckworm	Insect inv. (Bu. Ento. and Pl. Quar.).
Soil and fertilizer studies (Shreveport, La., station).	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Storage	Do.
Weevil	Insect inv. (Bu. Ento. and Pl. Quar.).
Pectin:	
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Pedigrees, imported animals, certification of	Animal disease control and erad. (Bu. An. Ind.).
Penalty mail	Penalty mail (Dept. Agr.).
Pendleton (Oreg.), dry-land investigation at	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pentatomids:	
On alfalfa seed	Insect inv. (Bu. Ento. and Pl. Quar.).
On cotton	Do.
Peoria (Ill.), Northern Regional Research Laboratory.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Peppergrass, perennial, control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Perennial(s):	
Canker of apples	Do.
Hardy, investigations	Do.
Periodicals:	
Department	Sal. and exp. (Office of Information).
Purchase of	Sal. and exp. (Library).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Perishable:	
Agricultural Commodities Act	Perishable Agricultural Commodities Act Fund (Prod. and Mktg. Admin.).
Farm products:	
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Estimates in cold storage	Marketing services (Prod. and Mktg. Admin.).
Market inspection	Do.
Products, transportation and storage	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Permit materials, under plant quarantine act	Plant quar. (Bu. Ento. and Pl. Quar.).
Persian walnuts, cultural problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Persimmon(s):	
Diseases	Do.
Pest control:	
Investigation of methods	Insect inv. (Bu. Ento. and Pl. Quar.).
Mechanical methods	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pharmaceuticals, antibiotics	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Pharmacology of food constituents	Do.
Philadelphia (Pa.), Northeastern (Allegheny forest experiment station).	Sal. and exp., forest research (For. Serv.).
Phloem necrosis	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Phoenix (Ariz.) truck crop insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Phony peach disease:	
Eradication	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Phosphate for conserving uses	Consv. and use of agr. land resources (Agr'l Consv. Programs).
Phosphate-production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Phylloxera-resistant grape stocks	Do.
Physical investigation of soils	Do.
Physiographic research in soil and water conservation.	Do.
Physiological, fruit and vegetable investigations	Do.
Physiology, dairy cattle	Sal. and exp. (Bu. Dairy Ind.).
Pigments:	
Citrus	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cottonseed and peanuts	Do.
Plant	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Engr.).
Pima, Egyptian cotton tests	Do.
Pine:	
Blister rust:	
Control:	
General	White pine blister rust (Control of Forest Pests) (Bu. Ento. and Pl. Quar.).
On national forests	Control of forest pests (For. Serv.).
Leadership, all projects	White pine blister rust (Control of Forest Pests) (Bu. Ento. and Pl. Quar.).
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Genetical studies	Sal. and exp., forest research (For. Serv.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Little-leaf disease	Plant, soil, and agr. eng. research (Bu. Pl., Ind. Soils, and Agr. Eng.).
Mountain, beetle	Insect inv. (Bu. Ento. and Pl. Quar.).
Pulp and paper making, investigation in	Sal. and exp., forest research (For. Serv.).
White:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pink bollworm:	
Cotton, cooperation with Mexico in eradication.	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Eradication and quarantine	Do.
Eradication of wild cotton in Florida	Do.
Parasites, introduction and propagation	Insect inv. (Bu. Ento. and Pl. Quar.).
Quarantine	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect. inv. (Bu. Ento. and Pl. Quar.).
Plan service, farm buildings	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Plantation care and release	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).

Index of projects covered by items in Agriculture Appropriation Act for 1954—Con.

Subject	Appropriation item
Plant(s):	
Biologically active compounds:	
Hormones	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Investigations of such substances in normal and diseased plants.	Do.
Biophysical investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Certification to meet sanitary requirements of foreign countries.	Plant quar. (Bu. Ento. and Pl. Quar.).
Classification	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Disease survey	Do.
Disinfection investigations	Insect inv. (Bu. Ento. and Pl. Quar.).
Erosion-resisting	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Geography investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hormones	Do.
Biochemical investigation of effects on growing plants.	Sal. and exp. (Bu. Agr. and Indus. Chem.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pharmacological investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Insects affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Introduction:	
Garden:	
Chico, Calif	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Coconut Grove, Fla	Do.
Glenn Dale, Md	Do.
Savannah, Ga	Do.
Investigations	Do.
Noxious, biological control of	Insect inv. (Bu. Ento. and Pl. Quar.).
Physiological investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pigments	Do.
Biochemical studies in relation to dehydration of vegetables	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Poisonous:	
Pathological investigations	Animal research (Bu. An. Ind.).
Quarantine(s):	
Act:	
Enforcement	Plant quar. (Bu. Ento. and Pl. Quar.).
Import and permit service	Do.
Export	Do.
Foreign	Do.
Inspection service:	
Canadian-border ports	Do.
District of Columbia	Do.
Hawaiian Islands	Do.
Hoboken, N. J	Do.
Maritime ports	Do.
Mexican border	Do.
Puerto Rico	Do.
Transit	Do.
Range, studies of	Sal. and exp., forest research (For. Serv.).
Regional Laboratory for Research into the Relation of Soils to Plants, Animal, and Human Nutrition.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sprays	Do.
Sterilization	Insect. inv. (Bu. Ento. and Pl. Quar.).
Planting:	
Forest tree, cooperation in	State and private forestry coop. (For. Serv.).
On devastated lands	Do.
Range, investigations	Do.
Research, forest	Do.
Soil conservation	Sal. and exp. (Soil Consv. Serv.).
Tree, on national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Plasma substitute, dextran	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Plastic(s), wood and wood plastic	Sal. and exp., forest research (For. Serv.).
Plum(s):	
Curculio, affecting peaches	Insect inv. (Bu. Ento. and Pl. Quar.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Plywood	Sal. and exp., forest research (For. Serv.).
Poisoning, stock, by plants	Animal research (Bu. An. Ind.).
Poisonous:	
Plant(s):	
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
On national forests, eradication	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Pathological	Animal research (Bu. An. Ind.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Pole blight of pine, investigations of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pollen, bee, utilization	Insect inv. (Bu. Ento. and Pl. Quar.).
Pomological investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Popcorn production	Do
Poplar diseases	Do.
Population, farm, and rural-life studies	Econ. inv. (Bu. Agr. Econ.)
Port inspection service plant quarantine act	Plant quar. (Bu. Ento. and Pl. Quar.).
Portland (Oreg.):	
Forest insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Headquarters, region 7	Sal. and exp. (Soil Consv. Serv.).
PMA Commodity Office	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Pacific Northwest forest and range experiment station.	Sal. and exp., forest research (For. Serv.).
Potash:	
Production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Potato:	
Aphids	Insect inv. (Bu. Ento. and Pl. Quar.).
Breeding for disease resistance	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cooking quality of	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Composition studies on new and improved food products from.	Do.
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind. Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizers	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Golden nematode control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Irish:	
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Machinery, production and harvesting	Do.
Market inspection service	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Marketing of	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Preservation by dehydration	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Psyllid	Insect inv. (Bu. Ento. and Pl. Quar.).
Soil and fertilizer studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Starch, technology of manufacture and application.	Sal. and exp. (Bu. Agr. and Indus. Chem).
Wild, introduction	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Poughkeepsie (N. Y.). fruit insect laboratory	Insect. inv. (Bu. Ento. and Pl. Quar.).
Poultry:	
Air-sac infection	Animal research (Bu. An. Ind.).
And egg situation reports	Econ. inv (Bu. Agr. Econ.).
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cookery	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Diseases, investigations	Animal research (Bu. An. Ind.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Field station:	
Beltsville, Md	Animal research (Bu. An. Ind.).
Brooksville, Fla	Do.
Glendale, Ariz	Do.
Housing	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Improvement plan, national	Animal research (Bu. An. Ind.).
Inspection, market	Marketing services (Prod. and Mktg. Admin.).
Investigations	Animal research (Bu. An. Ind.).
Preservation by freezing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Products:	
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Inspection service	Marketing services (Prod. and Mktg. Admin.).
Investigations	Animal research (Bu. An. Ind.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Marketing studies	Do.
Standardization studies	Do.
Regional Laboratory for Improvement of Viability in Poultry.	Animal research (Bu. An. Ind.).
Statistical service	Crop and livestock est. (Bu. Agr. Econ.).
Tuberculosis eradication	Animal disease and control erad. (Bu. An. Ind.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Power:	
Farm:	
Economic problems	Econ. inv. (Bu. Agr. Econ.).
Electrification	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Engineering	Do.
Rural electrification, loans for	Loans (Rural Elec. Admin.)
Practices, conservation	Consv. and use of agr. land resources (Agr'l Consv. Programs).
Prairie States shelterbelt project	State and private forestry coop. (For. Serv.).
Prelimination examinations and surveys	Flood prevention.
Prescribed burning	Sal. and exp. forest research (For. Serv.).
Preservation:	
By canning:	
Fruits	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Vegetables	Do.
By dehydration:	
Eggs	Do.
Food	Do.
Fruits	Do.
Potatoes	Do.
Vegetables	Do.
By freezing:	
Apples	Do.
Berries	Do.
Eggs	Do.
Fruits	Do.
Poultry products	Do.
Vegetables	Do.
Home methods of:	
Canning	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Freezing	Do.
Of wood	Sal. and exp., forest research (For. Serv.).
Presque Isle (Me.), truck crop insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Potato production and breeding studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Press service, information	Sal. and exp. (Office of Information).
Prices:	
Agricultural, and income research	Econ. inv. (Bu. Agr. Econ.).
Cotton, forecasts or predictions prohibited	Sec. 404 (General Provisions).
Estimates:	
Paid by farmers for articles purchased	Crop and livestock est. (Bu. Agr. Econ.).
Received by farmers for products sold	Do.
Futures	Sal. and exp. (Commod. Exch. Authority).
Insurance, studies	Econ. inv. (Bu. Agr. Econ.).
Stumpage, logs, and lumber	Sal. and exp., forest research (For. Serv.).
Trends and market analyses	Econ. inv. (Bu. Agr. Econ.).
Price Support Programs:	
Basic commodities:	
Corn	Commod. Credit Corporation (Prod. and Mktg. Admin.)
Cotton:	
American Egyptian	Do.
Upland	Do.
Peanuts	Do.
Rice	Do.
Tobacco	Do.
Wheat	Do.
Designated nonbasic commodities:	
Honey	Do.
Milk and butterfat:	
Butter	Do.
Cheese	Do.
Milk, nonfat, dry	Do.
Mohair	Do.
Tung oil	Do.
Wool	Do.
Exchange commodities, strategic and critical materials.	Do.
Other nonbasic commodities:	
Barley	Do.
Beans, dry edible	Do.
Cottonseed	Do.
Flaxseed	Do.
Naval stores:	
Rosin	Do.
Turpentine	Do.
Oats	Do.
Olive oil	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Rye	Commod. Credit Corporation (Prod. and Mktg. Adm.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Price support programs—Continued	
Other nonbasic commodities—Continued	
Seeds:	
Hay and pasture	Commod Credit Corporation (Prod. and Mktg. Admin.).
Winter cover crop	Do.
Sorghums, grain	Do.
Soybeans	Do.
Process, mechano-chemical	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Processing residues and wastes:	
Apples, chemistry and utilization	Do.
Bagasse pulps for paper	Do.
Cellulose pulps for manufacture of paper and paper products.	Do.
Cereal straws, chemistry, and utilization	Do.
Corncobs	Do.
Fruit, chemistry and utilization	Do.
Grinding of corn cobs, fruits pits, and nut shells.	Do.
Potatoes, chemistry and utilization	Do.
Poultry, chemistry and utilization	Do.
Rice bran oil	Do.
Sugarcane, chemistry and utilization	Do.
Vegetables, chemistry and utilization	Do.
Produce:	
Agency Act, administration	Perishable Agricultural Commodities Act Fund (Prod and Mktg. Admin.).
Dealers, licensing	Do.
Production:	
And marketing in foreign countries, statistics	Sal. and exp. (Foreign Agricultural Service).
Cost studies	Econ. inv. (Bu. Agr. Econ.).
Credit:	
Corporations	Adm. Exp. (Prod. credit corporations).
Studies	Econ. inv. (Bu. Agr. Econ.).
Crop, estimates	Crop and livestock est. (Bur. Agr. Econ.).
Expenditures, farm	Do.
Livestock:	
Estimates	Do.
General	Animal research (Bu. An. Ind.).
Statistical summaries and analyses	Crop and livestock est. (Bu. Agr. Econ.).
Statistics, foreign countries	Sal. and exp. (Foreign Agricultural Service).
Productivity, soil, effect of:	
Erosion	Sal. and exp. (Soils Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fertilization, rotation, and other management practices on.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Natural vegetation cover on	Sal. and exp., forest research (For. Serv.).
Products:	
Forest investigations	Do.
Wood:	
Conditioning	Do.
Development	Do.
Properties	Do.
Protection	Do.
Projects:	
Land utilization	Sal. and exp. (Soil Consv. Serv.).
Water:	
Conservation and utilization	Water consv. and util. projects (Soil Cons. Serv.).
Facilities	Water fac., arid and semiarid areas (Farmers Home Admin.).
Properties, forest product, investigations in	Sal. and exp., forest research (For. Serv.).
Prosser (Wash.):	
Fruit and vegetable processing laboratory	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Irrigation agriculture station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Protection:	
Forest investigations	Sal. and exp., forest research (For. Serv.).
National forests	Sal. and exp., natl. forest prot. and manage. (For. Serv.).
Watershed investigations	Sal. and exp., forest research (For Serv.).
Wood products	Do.
Protein(s):	
Investigations, value in human nutrition	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Studies:	
Alfalfa, chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cottonseed, chemistry and utilization	Do.
Marketing	Marketing services (Prod. and Mktg. Admin.).
Milk, utilization of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Peanuts, chemistry and utilization	Do.
Soybeans:	
Expanded uses for	Do.
Utilization from cheese whey	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Prunes:	
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases:	
Brown rot	Do.
Investigations	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Pruning practices	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Publications:	
Distribution of	Sal. and exp. (Office of Information).
Foreign:	
Agriculture	Sal. and exp. (Foreign Agricultural Service).
Agricultural circulars	Do.
Agricultural situation studies	Do.
Agricultural trade	Do.
Crops and markets	Do.
Work of Department	Sal. and exp. (Office of Information).
Puerto Rico:	
Appropriations for:	
Agricultural experiment stations:	
Bankhead-Jones Act	Title I, secs. 3, 5, 9 and 11, Bankhead-Jones Act (O. E. S.).
Experiment Station Act	Puerto Rico (O. E. S.).
Experiment Station (Department Insular Station).	Sal. and exp. (O. E. S.).
Cooperative agricultural extension work:	
Extension of:	
Bankhead-Jones Act, Title II, sections 21 and 23.	Puerto Rico (Ext. Serv.).
Capper-Ketcham Act	Do.
Farm Housing, extension work in	Title V, Housing Act of 1949 (Ext Serv.).
Smith-Lever Act	Perm. Specific Appn. (Ext. Serv.).
Erosion surveys and control operations	Sal. and exp. (Soil Consv. Serv.).
Plant quarantine inspection service	Plant quar. (Bu. Ento. and Pl. Quar.).
Rio Piedras tropical forest experiment station	Sal. and exp., forest research (For. Serv.).
Pullman (Wash.), soil management research station.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Pullorum disease	Animal research (Bu. An. Ind.).
Pulp(s):	
Bagasse	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cellulose, utilization for board and paper products.	Do.
Cereal straws	Do.
Newsprint containing straw or bagasse pulps	Do.
Paper investigations	Sal. and exp., forest research (For. Serv.).
Pulping process	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Pumping for irrigation and drainage	Sal. and exp. (Soil Consv. Serv.).
Pumpkin	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Purchase programs:	
Price support	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Supply and foreign purchase	Do.
Purchases: For direct distribution	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
Purnell Act, appropriations for State agricultural experiment stations.	Purnell Act (O. E. S.)
Puyallup (Wash.), fruit and vegetable processing laboratory.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Quarantine:	
Act, plant:	
Enforcement	Plant quar. (Bu. Ento. and Pl. Quar.).
Import and permit service	Do.
Ticks affecting	Feed and attendants for animals in quarantine (Bu. An. Ind.).
Animals:	
Feed and attendants for animals in	Do.
Import	Animal disease control and erad. (Bu. An. Ind.)[a]
Gypsy and brown-tail moths	Insect and plant disease control. (Bu. Ento. and Pl. Quar.).
Japanese beetle	Do.
Mediterranean fruitfly	Plant quar. (Bu. Ento. and Pl. Quar.).
Mexican fruitfly	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Pink bollworm	Do.
Plant(s):	
And plant products in transit	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Foreign	Plant quar. (Bu. Ento. and Pl. Quar.).
Inspection service, Puerto Rico	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con

Subject	Appropriation item
Quarantine—Continued	
Service:	Plant quar. (Bu. Ento. and Plant Quar.).
Control of permit material (plants)	Do.
District of Columbia (plants)	Do.
Export nursery stock, plant and plant products.	Do.
Mexican border	Do.
Port (plants)	Do.
Transit (plants)	Do.
Stations, animals, establishment and maintenance.	Animal disease control and erad. (Bu. An. Ind.).
Thurberia (Ariz.) cotton weevil	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
White pine blister rust	White pine blister rust (Control of Forest Pests) (Bu. Ento. and Pl. Quar.).
Quince production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Quincy (Fla.): vegetable and tobacco insect laboratory.	Insect inv. (Bu. Ento. and Pl. Quar.).
Quotas:	
And allotments for marketing sugar	Sugar Act Program (Prod. and Mktg. Admin.).
Marketing, and acreage allotments	Agricultural adjustment programs (Prod. and Mktg. Admin.)
Quotas and allotments for marketing sugar	Admin. of Sugar Act (Prod. and Mktg. Admin.).
Quotas, marketing, and acreage allotments	Acreage allotments and mktg. quotas (Prod. and Mktg. Admin.).
Rabbits, fur-resources investigations	Animal research (Bu. An. Ind.).
Rabies investigations	Do.
Radio:	
Equipment for forest fire prevention	Prot. and manage. nat'l forests (For. Serv.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Service (information)	Sal. and exp. (Office of Information).
Radioactive soil and fertilizer investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Raleigh (N. C.), vegetable preservation investigations laboratory.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Ramie fiber investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.
Range:	
And pasture, improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Conservation	Sal. and exp., forest research (For. Serv.); Sal. and exp. (Soil Consv. Serv.).
Practices	Consv. and use of agr. land resources (Agr'l. consv. programs).
Control	Sal. and exp., forest research (For. Serv.); Sal. and exp. (Soil Consv. Serv.).
Economic investigations	Sal. and exp., forest research (For. Serv.).
Experiment stations, forest:	
California (Berkeley, Calif.)	Do.
Intermountain (Ogden, Utah)	Do.
Northern Rocky Mountain (Missoula, Mont.).	Do.
Pacific Northwest (Portland, Oreg.)	Do.
Rocky Mountain (Fort Collins, Colo.)	Do.
Southeastern (Asheville, N. C.)	Do.
Southern (New Orleans, La.)	Do.
Southwestern (Tucson, Ariz.)	Do.
Surveys	Sal. and exp. (Soil Consv. Serv.).
Improvements	Sal. and exp., nat'l. forest prot. and manage.; coop. range impo. (For. Serv.).
Investigations:	
Forage	Sal. and exp., forest research (For. Serv.).
Improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Land, forest	Sal. and exp., forest research (For. Serv.).
Land appraisal, national forests	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Land surveys, entry, national forests	Do.
Livestock investigations, Miles City, Mont.	Animal research (Bu. An. Ind.).
Management, national forest	Sal. and exp., forest research (For. Serv.).
National forests	Do.
Planting	Do.
Plants	Do.
Reseeding	Sal. and exp., nat'l forest prot. and manage.; forest research (For. Serv.).
Sheep experiment station, DuBois, Idaho.	Animal research (Bu. An. Ind.).
Stocking	Sal. and exp., forest research (For. Serv.).
Management plans	Sal. and exp., nat'l forest prot. and manage. nat'l for. (For. Serv.).
Surveys	Do.
Use by livestock	Do.
Winter range	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1964—Con.

Subject	Appropriation item
Raspberry:	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Culture	Do.
Diseases	Do.
Rates (freight) on farm products, adjustments of	Marketing services (Prod. and Mktg. Admin.).
Raticide investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Real estate, farm survey	Econ. inv. (Bu. Agr. Econ.).
Recipes, development of	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Reciprocal trade agreements, coordination of Department of Agriculture participation.	Sal. and exp. (Foreign Agricultural Service).
Reclamation projects, agricultural investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Records and accounts, farm	Econ. inv. (Bu. Agr. Econ.).
Recreation on national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Red-clover investigation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Reforestation:	
By planting on national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
In erosion control	Sal. and exp. (Soil Consv. Serv.).
Of denuded national forest areas	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Research at forest experiment stations	Sal. and exp., forest research (For. Serv.).
Refrigeration:	
Household	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Methods	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Machinery and equipment	Do.
Vegetable, methods	Do.
Regeneration, forest, studies in	Sal. and exp., forest research (For. Serv.).
Regional marketing research	Marketing services (Prod. and Mktg. Admin.).
Foreign	Sal. and exp. (Foreign Agricultural Service).
Regional research laboratories:	
Eastern Regional Research Laboratory (Wyndmoor, Pa.).	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Northern Regional Research Laboratory (Peoria, Ill.).	Do.
Regional Animal Disease Laboratory (Auburn, Ala.).	Animal research (Bu. An. Ind.).
Regional Laboratory for Improvement of Viability in Poultry (East Lansing, Mich.).	Do.
Regional Laboratory for Research into the Relation of Soils to Plant, Animal, and Human Nutrition (Ithaca, N. Y.).	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regional Pasture Research Laboratory (State College, Pa.).	Do.
Regional Salinity Laboratory (Riverside, Calif.).	Do.
Regional Sheep Breeding Laboratory (Dubois, Idaho).	Animal research (Bu. An. Ind.).
Regional Soybean Laboratory (Urbana, Ill.)	Plant, soil, and agr. eng. research (Bu. Pl. Ind. Soils, and Agr. Eng.).
Regional Swine Breeding Laboratory (Ames, Iowa).	Animal research (Bu. An. Ind.).
Regional Vegetable Breeding Laboratory (Charleston, S. C.).	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Southern Regional Research Laboratory (New Orleans, La.).	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Western Regional Research Laboratory (Albany, Calif.).	Do.
Regrassing investigations in dry-land areas	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regulatory, Acts (Marketing):	
Commodity Exchange Act	Sal. and exp. (Commod. Exch. Authority).
Export apple and pear	Perishable Agrl. Commodities Act Fund (Prod. and Mktg. Admin.).
Federal Seed Act	Marketing services (Prod. and Mktg. Admin.).
Insecticide, Fungicide and Rodenticide Act	Do.
Naval Stores Act	Do.
Packers and Stockyards Act	Do.
Perishable Agricultural Commodities Act	Perishable Agrl. Commodities Act Fund (Prod. and Mktg. Admin.).
Produce Agency	Do.
Standard Container Acts	Marketing services (Prod. and Mktg. Admin.).
United States Grain Standards Act	Do.
United States Warehouse Act	Do.
Rehabilitation:	
Rural:	
Loans	Farmers' Home Admin.
Services and assistance	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Reimbursement for services, equipment, rentals, depreciation, etc.	Working capital fund (Agr. Res. Cen.).
Relief, direct distribution, purchases for	Removal of surplus agr. commod. (Prod. and Mktg. Admin.).
	Do.
Removal of surplus commodities	Working capital fund (Agr. Res. Cen.).
Rentals, equipment reimbursement for depreciation, maintenance and repairs in connection with.	
Repayment to Commodity Credit Corporation for cotton classing and tobacco inspection.	Marketing services (Prod. and Mktg. Admin.).
Repellants, insect	Insect inv. (Bu. Ento. and Pl. Quar.).
Reproductions of library materials, sale of	Sal. and exp. (Library).
Research:	
Animal Industry	Sal. and exp.; erad. foot-and-mouth disease; research facilities (Bu. An. Ind.).
Chemistry, agricultural	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Control of halogeton	Sal. and exp., forest research (For. Serv.).
Dairy industry	Sal. and exp. (Bu. Dairy Ind.).
Distribution of agricultural products	Agricultural Marketing Act.
Economic	Econ. inv. (Bu. Agr. Econ.).
Engineering:	
Agricultural	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Irrigation and drainage	Sal. and exp. (Soil Consv. Serv.).
Entomology	Sal. and exp. (Bu. Ento. and Pl. Quar.).
Fire	Sal. and exp., forest research (For. Serv.).
Foreign agriculture	Sal. and exp. (Foreign Agricultural Service.).
Forest economics	Sal. and exp., forest research (For. Serv.).
Forest management	Do.
Forest products	Do.
Forest survey	Do.
Home economics	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Laboratories, regional research	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Marketing	Agricultural Marketing Act.
Nutrition, human	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Packing and packaging	Marketing services (Prod. and Mktg. Admin.).
Payments to States, Alaska, Hawaii, and Puerto Rico.	Hatch, Adams, Purnell, and Bankhead-Jones Acts and supplementary Acts (O. E. S.).
Plant industry	Sal. and exp. (Bu. Pl. Ind., Soils, and Agr. Eng.).
Range management and reseeding	Sal. and exp., forest research (For. Serv.).
Soil and crop management, and in water management on farms related to crop production.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Transportation	Marketing services (Prod. and Mktg. Admin.).
Water protection and management	Sal. and exp., forest research (For. Serv.).
Reseeding, range, studies in	Sal. and exp., nat'l. forest prot. and manage.; forest research (For. Serv.).
Reservoir:	
Construction	Sal. and exp. (Soil Consv. Serv.).
Silting	Do.
Resettlement projects	Payments in lieu of taxes and for oper. and maint. costs, water consv., and util. projects (Soil Consv. Serv.);
	Do.
Collection and management services in connection with.	
Residues, agricultural:	
Blast cleaning agents	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cellulose pulps for board and paper	Do.
Chemistry and utilization	Do.
Fine papers from cereal straws	Do.
Fruit and vegetable processing, chemistry and utilization.	Do.
Furfural, chemical uses	Do.
Resin, formation of	Sal. and exp., forest research (For. Serv.).
Resource:	
Development	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Protection and use	Do.
Retting studies	Plant, soil, and agr. eng. research (Bu Pl. Ind., Soils, and Agr. Eng.).
Ribes, eradication in control of white-pine blister rust.	Control of forest pests.
Rice:	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).

Subject	Appropriation item
Rice—Continued	
Inspection, market	Marketing services (Prod. and Mktg. Admin.).
Marketing:	
News service	Do.
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Processing and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Richmond (Va.), stored-tobacco insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Rights, water, investigation and establishment of	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Rio Piedras, P. R., Tropical Forestry unit	Sal. and exp., nat'l forest prot. and manage.; forest research (For. Serv.).
River Basin Programs	Flood prevention.
Riverside (Calif.):	
Insect vectors of peach diseases, laboratory	Insect. inv. (Bu. Ento. and Pl. Quar.).
Irrigation agriculture (Rubidoux) station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regional Salinity Laboratory	Do.
Soil-testing laboratory	Sal. and exp. (Soil Consv. Serv.).
Sugar-beet investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Virus disease invest. of stone fruits	Do.
Roaches	Insect inv. (Bu. Ento. and Pl. Quar.).
Roadbank erosion control	Sal. and exp. (Soil Consv. Serv.).
Roads:	
And trails, forest:	
Buildings for equipment and supplies	Forest roads and trails (For. Serv.).
Construction:	
Under Federal-aid funds	Do.
Under Forest Service general funds	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Forest	Forest roads and trails (For. Serv.).
Robson (La.), pecan field station	Plant, soil, and agr., eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Rocky Mountain forest and range experiment station, Fort Collins, Colo.	Sal. and exp., forest research (For. Serv.).
Rocky Mountain spotted-fever tick	Insect inv. (Bu. Ento. and Pl. Quar.).
Rodenticides:	
Inspection and testing under Federal Insecticide, Fungicide and Rodenticide Act.	Marketing services (Prod. and Mktg. Admin.).
Investigating methods of testing and efficacy	Do.
Registration of	Do.
Root:	
Rot:	
Cotton, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases of vegetables	Do.
Forest trees	Do.
Stocks, improvement of	Do.
Worm	Insect inv. (Bu. Ento. and Pl. Quar.).
Roses:	
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Rosin:	
Inspection and grading	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Properties and reactions	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Standards	Marketing services (Prod. and Mktg. Admin.).
Statistics	Crop and livestock est. (Bu. Agr. Econ.).
Surface coatings, use of derivatives for	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Rotation, crop	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Rotenone production	Do.
Rots and spots, fruit	Do.
Roundworms	Animal research (Bu. An. Ind.).
Rubber:	
Guayule and other rubber plants:	
Production, breeding and disease investigations.	Strat. and crit. agr. mats. research; plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Hevea, production research in the Western Hemisphere.	Mutual Security (Allotment to Dept. of Agr.).
Run-off:	
Effect of erosion control on	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Effect on land-use practices on	Do.
From agricultural land	Do.
Retardation	Flood prevention; Sal. and exp. (Soil Consv. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Rural:	
Electrification:	
Act, administration of	Sal. and exp. (Rural Elec. Admin.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Loans for	Loans (Rural Elec. Admin.).
Research on utilization of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Life:	
Effect of erosion on	Sal. and exp. (Soil Consv. Serv.).
Studies	Econ. inv. (Bu. Agr. Econ.).
Rehabilitation:	
Loans	Farmers' Home Admin.
Services and assistance	Do.
Telephones:	
Administration of	Sal. and exp. (Rural Elec. Admin.).
Loans for	Loans (Rural Elec. Admin.).
Zoning:	
In erosion control	Sal. and exp. (Soil Consv. Serv.).
Legislation	Econ. inv. (Bu. Agr. Econ.).
Rust:	
Black-stem cereal, control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Cereal investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Mite, citrus	Insect inv. (Bu. Ento. and Pl. Quar.).
Stem, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
White-pine blister:	
Control	White pine blister rust (Control of Forest Pests) (Bu. Ento. and Pl. Quar.).
On national forests	Control of forest pests (For. Serv.).
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Rye:	
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Scab investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
St. Lucie (Fla.), citrus insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
St. Paul (Minn.):	
Lake States forest experiment station	Sal. and exp., forest research (For. Serv.).
Sugar beet investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sacaton (Ariz.), cotton field station	Do.
Sacramento (Calif):	
Cooperative seed-testing laboratory	Marketing services (Prod. and Mktg. Admin.).
Safflower seed	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Saguara diseases	Do.
Salad oil, soybean	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Salinity control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Salt Lake City (Utah), sugar beet investigations	Do.
San Antonio (Tex.), headquarters southwestern region.	Bu. Ento. and Pl. Quar.
San Bernardino National Forest (Riverside County, Calif.), acquisition of forest lands within.	Acquisition of lands from national forest receipts, receipt limitation (Forest Service).
San Francisco (Calif.), PMA Commodity Office	Commod. Credit Corp. (Prod. and Mktg. Admin.).
San Juan (P. R.), plant quarantine inspection service.	Plant quar. (Bu. Ento. and Pl. Quar.).
Sand dunes, control of	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sandusky (Ohio), grape insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Sanitary facilities on national forests campgrounds.	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Sanservieria:	
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Machinery for processing	Do.
Sap stains	Do.
Satsuma orange investigations	Do.
Savannah (Ga.):	
Plant introduction garden	Do.
Stored product insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Sawfly:	
Larch	Do.
Wheat stem:	
Breeding for resistance to	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sawmill improvement	Sal. and exp., forest research (For. Serv.).
Scabies eradication	Animal disease control and erad. (Bu. An. Ind.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Scale:	
Citrus	Insect inv. (Bu. Ento. and Pl. Quar.).
Taxonomy	Do.
School lunch program	National School Lunch Program (Prod. and Mktg. Admin.).
Nutritive value of meals	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Recipes	Do.
School lunch management	Do.
Scottsbluff (Nebr.):	
Irrigation agriculture investigations at	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Truck crop insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Scraple, eradication	Erad. foot-and-mouth disease (Bu. An. Ind.).
Screwworm affecting livestock	Insect inv. (Bu. Ento. and Pl. Quar.).
Sea Island cotton investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Seasoning of wood	Sal. and exp., forest research (For. Serv.).
Sedimentation investigations	Sal. and exp. (Soil Consv. Serv.).
Seed:	
Act, Federal, administration	Marketing services (Prod. and Mktg. Admin.).
Adulterated, investigations	Do.
Alfalfa and clover, coloring under Federal Seed Act.	Do.
Bed, preparation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Borne diseases	Do.
Certification	Marketing services (Prod. and Mktg. Admin.).
Commercial testing	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Flax investigation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Forest-tree research	Sal. and exp., forest research (For. Serv.).
Identification	Marketing services (Prod. and Mktg. Admin.).
Importation, testing and regulation	Do.
Inspection service, market	Do.
Laboratories	Do.
Market news service	Do.
Marketing studies	Do.
Price-support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Standards	Marketing services (Prod. and Mktg. Admin.).
Purity and vitality investigations	Do.
Testing:	
Congress, International	Do.
Investigations	Do.
Laboratory:	
Beltsville, Md.	Do.
Corvallis, Oreg.	Do.
Montgomery, Ala.	Do.
Sacramento, Calif.	Do.
San Antonio, Tex.	Do.
Tree, for planting	Sal. and exp. (Soil Consv. Serv.).
Vegetable, investigations	Sal. and exp., nat'l. forest prot. and manage. (For Serv.).
Warehousing	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Wood, extraction equipment	Marketing services (Prod. and Mktg. Admin.).
Seeding and planting	Sal. and exp., forest research (For. Serv.).
Seeding pastures	Sal. and exp. (Soil Consv. Serv.).
Selenium:	Consv. and use of agr. land resources (Agr'l. Consv. Programs).
Soil investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sequoia National Forest (Calif.), acquisition of forest lands within.	Acquisition of lands from national forest receipts, receipt limitation (Forest Service).
Serum(s):	
Control of manufacture, importation, shipment and marketing.	Animal disease control and erad. (Bu. An. Ind.).
Service and assistance, rural rehabilitation	Farmers' Home Admin.
Settlements, agricultural, under Forest Homestead Act.	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Sewage and use in irrigation	Sal. and exp. (Soil Consv. Serv.).
Shade-tree diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Shafter (Calif.), cotton field station	Do.
Sheep:	
And goats:	
Grazing on national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Diseases, investigations	Animal research; erad. foot-and-mouth disease (Bu. An. Ind.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Grazing on national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Investigations	Animal research (Bu. An. Ind.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Sheep—Continued	
Range, investigations	Sal. and exp., forest research (For. Serv.).
Regional Sheep Breeding Laboratory	Animal research (Bu. An. Ind.).
Scabies, eradication	Animal disease control and erad. (Bu. An. Ind.).
Scrapie, eradication	Erad. foot-and-mouth disease (Bu. An. Ind.).
Sheet:	
Erosion	Sal. and exp. (Soil Consv. Serv.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sheridan (Wyo.), dry-land agriculture investigations at.	Do.
Shipping perishable products	Do.
Shortenings, soybean oil	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Shreveport (La.):	
Pecan insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Shrub:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Erosion-resisting	Sal. and exp. (Soil Consv. Serv.).
Invasion control, Southwest experiment station.	Sal. and exp., forest research (For. Serv.).
Shuckworm, pecan	Insect inv. (Bu. Ento. and Pl. Quar.).
Silt:	
Deposition, experimental investigations of	Sal. and exp. (Soil Consv. Serv.).
In irrigation reservoirs	Do.
Laden streams, hydraulics of	Do.
Silting of rivers, harbors, reservoirs, streams, and valleys.	Sal. and exp. (Soil Consv. Serv.); flood prevention.
Silvicultural investigations	Sal. and exp., forest research (For. Serv.).
Sirups:	
And sugar investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cane, process and quality	Do.
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Sisal fiber investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Situation, agriculture, reports	Econ. inv. (Bu. Agr. Econ.).
Skins and hides:	
Conservation by improved handling	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Processes and utilization	Do.
Small fruit:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production	Do.
Smoke-jumper headquarters and facilities at Missoula, Mont.	Smoke-jumper facilities (For. Serv.).
Smut:	
Cereal, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Stinking, wheat	Do.
Wheat	Do.
Snow:	
Investigations, cooperation	Reclamation fund (Allot. For Serv.).
Survey for irrigation	Sal. and exp. (Soil Consv. Serv.).
Societies or associations, memberships	Sal. and exp. (Library).
Soft grit blasting	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Soil:	
And crop management, and in water management on farms related to crop production, research on.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
And moisture conservation investigations	Sal. and exp. (Soil Consv. Serv.).
And water conservation	Do.
Bacteriology investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Chemical investigations	Do.
Classification and mapping	Sal. and exp. (Soil Consv. Serv.).
Colloids:	
Chemical relations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Physical relations	Do.
Conservation districts, cooperation with	Sal. and exp. (Soil Consv. Serv.).
Drainage studies	Do.
Fumigants	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Improvement studies	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Investigations of, mass movement of	Sal. and exp. (Soil Consv. Serv.).
Management in:	
Humid area	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Dry-land area	Do.
Irrigation area	Do.
Mechanical analysis	Do.
Microbiology investigations	Do.
Organic materials, study	Do.
Physical investigations	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Soil—Continued	
Regional Laboratory for Research into the Relation of Soils to Plant, Animal, and Human Nutrition.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Selenium investigations	Do.
Stabilization	Sal. and exp., forest research (For. Serv.).
Surveys	Sal. and exp. (Soil Consv. Serv.).
Soil Conservation Service regional offices:	
Region 1, Upper Darby, Pa	Do.
Region 2, Spartanburg, S. C	Do.
Region 3, Milwaukee, Wis	Do.
Region 4, Fort Worth, Tex	Do.
Region 5, Lincoln, Nebr	Do.
Region 6, Albuquerque, N. Mex	Do.
Region 7, Portland, Oreg	Do.
Solicitor's office	Sal. and exp. (Off. Solicitor).
Agricultural credit	Do.
Commodity credit, production and adjustment programs.	Do.
Lands, forestry, research, and general legal services.	Do.
Marketing and regulatory laws	Do.
Rural electrification and telephone programs	Do.
Sorghum(s):	
Breeding	Plant, soil, and agr. eng. research (Bu .Pl .Ind., Soils, and Agr. Eng.).
Diseases	Do
Farm storage	Do.
Grain:	
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Starch:	
Breeding and improvement	Do.
Sugar:	
Investigations	Do.
Sweet, investigations	Do.
South Carolina (Clemson) experiment station, soil improvement.	Do.
Southeastern forest and range experiment station	Sal. and exp., forest research (For. Serv.).
Southern California forests, fire-control improvements.	Sal. and exp., nat'l. forest prot. and manage. (For-Serv.).
Southern forest and range experiment station, New Orleans, La.	Sal. and exp., forest research (For. Serv.).
Southern Great Plains dry-land field station, Woodward, Okla.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Southern hardwood investigations	Sal. and exp., forest research (For. Serv.).
Southern pine beetle	Insect inv. (Bu. Ento. and Pl. Quar.).
Southern Regional Research Laboratory, New Orleans, La.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Southwestern forest and range experiment station, Tuscon, Ariz.	Sal. and exp., forest research (For. Serv.).
Southwestern irrigated cotton marketing studies	Marketing services (Prod. and Mktg. Admin.).
Soy flour	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Soybean(s):	
And flaxseed:	
Testing service	Marketing services (Prod. and Mktg. Admin.).
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Farm storage	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fatty acids for synthetic lubricants	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fertilizer distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Flavor and stability of soybean oil	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Gelsoy	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Inspection supervision	Marketing services (Prod. and Mktg. Admin.).
Lecithin	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Meal(s):	
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Nutritional value	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Toxicity studies	Do.
New industrial raw materials from fat acids	Do.
Oil(s):	
Edible spread	Do.
Fundamental studies	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Soybean(s)—Continued	
Oil(s)—Continued	
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Linolenic acid	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
	Do.
Regional Soybean Laboratory	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Road oil additive	Do.
Salad oil	Do.
Shortenings	Do.
Soy flour	Do.
Soypoly acids	Marketing services (Prod. and Mktg. Admin.)
Standards, studies	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Price support program	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Soypoly acid(s), road oil additive	Sal. and exp. (Soil Consv. Serv.).
Spartanburg (S. C.), headquarters, region 2	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Spectrographic analysis in plant growth and development.	Sal. and exp. (Commod. Exch. Authority).
Speculation on commodity exchanges	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Spice plant, herb and, investigations	Insect inv. (Bu. Ento. and Pl. Quar.).
Spider, red	Sal. and exp. (Soil Consv. Serv.).
Spillways, replacement, Greenleaf Lake, Okla.	
Spinach:	
Breeding investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Spinning and manufacturing tests of cotton	Marketing services (Prod. and Mktg. Admin.).
Splenetic (tick) fever of cattle, eradication	Animal disease control and erad. (Bu. An. Ind.).
Spliced and laminated wood	Sal. and exp., forest research (For. Serv.).
Spots and rots, fruit	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Spray residues:	
Development of new fungicides	Do.
Insecticides	Insect inv. (Bu. Ento. and Pl. Quar.).
Method of cleansing plant products	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Spraying:	
Experimental and control, insecticidal	Bu. Ento. and Pl. Quar.
Experiments, orchard fruit diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Machinery for insecticides	Do.
Spread, edible, from soybean oil	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Spruce: Budworm, deterioration of Rilled trees	Insect inv. (Bu. Ento. and Pl. Quar.).
Squash	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
St. Croix (V. I.) agricultural program	Virgin Islands (O. E. S.).
Staling in bakery products	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Standard:	
Basket Act, administration	Marketing services (Prod. and Mktg. Admin.).
Container Act, administration	Do.
Hamper Act, administration	Do.
Standardization and grading:	
Alfalfa meal	Do.
Beans and soybeans	Do.
Butter	Do.
Cotton:	
Act, administration	Do.
Sale of standards	Do.
seed	Do.
Studies	Do.
Dairy and poultry products	Do.
Egg	Do.
Equipment	Do.
Fruits and vegetables	Do.
Grain:	
Studies	Do.
Hay	Do.
Hops	Do.
Livestock	Do.
Lumber	Sal. and exp., forest research (For. Serv.).
Meat and meat products	Marketing services (Prod. and Mktg. Admin.).
Molasses	Do.
Naval stores	Do.
Peas	Do.
Rosin	Do.
Seeds	Do.
Soybean	Do.
Tobacco	Do.
Turpentine	Do.
Wool	Do.

Subject	Appropriation item
Standards:	
Living, farmers'	Econ. inv. (Bu. Agr. Econ.).
Staples and grades, cotton, estimates	Marketing services (Prod. and Mktg. Admin.).
Wool grades, authority to sell	Do.
Starch:	
Allylstarch	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Amylose	Do.
Composition studies	Do.
Hemostatic agent	Do.
Production and utilization from corn, wheat, sorghum, and white potatoes	Do.
State College (Miss.) corn insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
State College (Pa.), Regional Pasture Research Laboratory.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
States, cooperation with, in:	
Forest fire control	State and private forestry coop. (For. Serv.).
Forest tree planting (Clarke-McNary Act)	Do.
Forest management and processing (Coop. For. Management Act).	Do.
Irrigation and drainage engineering	Sal. and exp. (Soil Consv. Serv.).
Watershed improvement work	Flood Prevention.
Statesville (N. C.), cotton field station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Statistical:	
Research	Econ. inv. (Bu. Agr. Econ.).
Summaries and analyses of production	Crop and livestock est. (Bur. Agr. Econ.).
Statistics:	
Agricultural	Do.
Cotton (grade and staple estimates)	Marketing services (Prod. and Mktg. Admin.).
Crop	Crop and livestock est. (Bu. Agr. Econ.).
Dairy	Do.
Forest products	Sal. and exp., forest research (For. Serv.).
Fruit and truck crop	Crop and livestock est. (Bu. Agr. Econ.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Livestock	Crop and livestock est. (Bu. Agr. Econ.).
Marketing and production	Econ. inv. (Bu. Agr. Econ.).
Poultry	Crop and livestock est. (Bu. Agr. Econ.).
Production, summaries and analyses	Do.
Production and marketing in foreign countries.	Sal. and exp. (Foreign Agricultural Service).
Tobacco	Marketing services (Prod. and Mktg. Admin.).
Truck crop	Crop and livestock est. (Bu. Agr. Econ.).
Vegetable	Do.
Stem borer, cotton	Insect inv. (Bu. Ento. and Pl. Quar.).
Sterilization of plants and plant products	Do.
Stillwater (Okla.):	
Small grain insect laboratory	Do.
Stinking smut of wheat	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Stock:	
Poisoning by plants	Animal research (Bu. An. Ind.).
Watering ponds	Sal. and exp. (Soil Consv. Serv.); water facilities, arid and semiarid areas.
Stockyards (Packers and) Act, administration	Marketing services (Prod. and Mktg. Admin.).
Stomach worms	Animal research (Bu. An. Ind.).
Stonefruit investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Stoneville (Miss.):	
Cotton ginning:	
Extension work in	Sal. and exp. (Ext. Serv.).
Laboratory	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Research	Marketing services (Prod. and Mktg. Admin.).
Cotton insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Storage:	
Alfalfa	Sal. and exp. (Bu. Agr. and Indus. Chem.).
And transportation:	
Fruits, physiological problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Perishable products, engineering	Do.
Vegetables, physiological problems	Do.
Clothing and textiles	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Cottonseed	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Dehydrated foods	Do.
Facilities program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Farm, structures	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Food	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Frozen foods	Do.
Fruit diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Lumber, studies	Sal. and exp., forest research (For. Serv.).
Market	Marketing services (Prod. and Mktg. Admin.).
Obtaining adequate facilities	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Storage—Continued	
Vegetable diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Wheat	Sal. and exp. (Bu. Agr. and Indus. Chem.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Stored grain:	
Insect laboratory, Manhattan, Kans.	Insect inv. (Bu. Ento. and Pl. Quar.).
Insects	Do.
Stored-product insects:	
Fruit	Do.
Grain and cereal	Do.
Household	Do.
Processed or manufactured commodities	Do.
Strategic and critical materials:	
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Research	Strat. and crit. agr. mats. research.
Straw:	
Container and boxboard	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Paper and paperboard	Do.
Pulping process, mechano-chemical	Do.
Strawberry:	
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer-distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production	Do.
Root rots	Do.
Stream:	
Bank erosion	Sal. and exp. (Soil Consv. Serv.)
Bed measurements	Do.
Flow	Do.
Effects of floods on	Flood prevention.
Street tree diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Strip cropping:	
Contour and field	Sal. and exp. (Soil Consv. Serv.).
Investigation of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Operations in	Sal. and exp. (Soil Consv. Serv.).
Structure of wood, investigations in	Sal. and exp., forest research (For. Serv.).
Structures:	
Design and hydraulics of	Sal. and exp. (Soil Consv. Serv.).
Drainage and irrigation	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); Sal. and exp. (Soil Consv. Serv.).
Farm	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Stubble mulching	Sal. and exp. (Soil Consv. Serv.).
Stumpage prices	Sal. and exp., forest research (For. Serv.).
Submarginal land, retirement of	Sal. and exp. (Soil Consv. Serv.).
Subtropical fruit:	
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Engr.).
Production	Do.
Subtropical plant insects, research	Insect inv. (Bu. Ento. and Pl. Quar.).
Sugar(s):	
And sirup investigations	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Beet:	
Black root	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Breeding	Do.
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Conditional payment to producers	Sugar Act Program (Prod. and Mktg. Admin.).
Curly-top disease	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer experiments	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Leaf spots	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Leafhopper	Insect inv. (Bu. Ento. and Pl. Quar.).
Production and harvesting machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Root rot	Do.
Seed investigations	Do.
Chemistry and production	Do.
Conditional payments to producers	Sugar Act Program (Prod. and Mktg. Admin.).
Consumption estimate	Do.
Dextrose	Sal. and exp. (Bu. Agr. and Indus. Chem.).
From starch	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con

Subject	Appropriation item
Sugar(s)—Continued	
Growers conditional payments to	Sugar Act Program (Prod. and Mktg. Admin.).
Marketing quotas	Do.
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Sorghum investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sugarcane:	
Bagasse utilization	Sal and exp. (Bu. Agr. and Indus. Chem.).
Beetle	Insect inv. (Bu. Ento. and Pl. Quar.).
Breeding	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Chemical and enzymic deterioration	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Composition	Do.
Conditional payments to producers	Sugar Act Program (Prod. and Mktg. Admin.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Drainage studies in:	
Florida	Sal. and exp. (Soil Consv. Serv.).
Louisiana	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fertilizer experiments	Do.
Groundwater studies in Florida	Sal. and exp. (Soil Consv. Serv.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Moth borer	Insect inv. (Bu. Ento. and Pl. Quar.).
Processing and quality	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Production	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sirup(s):	
Market news service	Marketing services (Prod. and Mktg. Admin.).
Processes	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Standardization and grading	Marketing services (Prod. and Mktg. Admin.).
Sumac for tannins	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sumner (Wash.), bulb insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Supplies, Forest Service, distribution	Sal. and exp. (For. Serv.).
Supply and foreign purchase program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Surface:	
Gully, control of	Flood prevention, sal. and exp. (Soil Consv. Serv.).
Runoff, retardation of	Do.
Watershed, improvement of	Do.
Surplus commodities, removal of	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Surplus removal programs:	
Basic commodities:	
Cotton	Do.
Peanuts	Do.
Wheat	Do.
Designated nonbasic commodities:	
Honey	Do.
Milk and butterfat:	
Butter	Do.
Milk, nonfat, dry	Do.
Nonperishable commodities:	
Beans, dry	Do.
Flaxseed	Do.
Grain sorghums	Do.
Linseed oil	Do.
Perishable commodities:	
Citrus fruits	Do.
Deciduous fruits	Do.
Eggs	Do.
Turkeys	Do.
Vegetables	Do.
Surveying and mapping national forest lands	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Surveys:	
Aerial	Sal. and exp. (Soil Consv. Serv.).
Control:	
Aerial	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Conservation	Sal. and exp., nat'l forest prot. and manage. (For. Serv.); sal. and exp. (Soil Consv. Serv.).
Detailed	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Determining extent and distribution of erosion.	Do.
Flood	Sal. and exp., nat'l forest prot. and manage. (For. Serv.); flood prevention.
Reconnaissance conservation	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Economic aspects of erosion	Sal. and exp., nat'l forest prot. and manage. (For. Serv.); sal. and exp. (Soil Consv. Serv.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Surveys—Continued	
Economic research	Econ. inv. (Bu. Agr. Econ.).
Forest:	
Research	Sal. and exp., forest research (For. Serv.).
Resources, protection and management of	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Grazing lands, national forests	Do.
Insect-pest	Insect. inv.; Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Of forest resources	Sal. and exp., forest research (For. Serv.).
Plant-disease	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Range	Sal. and exp. (Soil Consv. Serv.).
Soil	Do.
Timber:	
National forests	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Studies	Sal. and exp., forest research (For. Serv.).
Watershed	Flood prevention.
Swamp fever of horses (equine infectious anemia)	Animal research (Bu. An. Ind.).
Swamp-land drainage	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Sweetclover investigations	Do.
Sweet-corn breeding	Do.
Sweetpotato:	
Canning and dehydration	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemistry and utilization	Do.
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer experiments	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Investigations, cultural	Do.
Preservation	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Production and harvesting machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Purchases for distribution	Removal of surplus agricultural commod. (Prod. and Mktg. Admin.).
Weevil:	
Control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
Sweet-sorghum investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Swine:	
Atrophic rhinitis	Animal research (Bu. An. Ind.).
Cholera control	Animal disease control and erad. (Bu. An. Ind.).
Diseases, investigations	Animal research; erad. foot-and-mouth disease (Bu. An. Ind.).
Grading studies	Marketing services (Prod. and Mktg. Admin.).
Investigations	Animal research (Bu. An. Ind.).
Regional Swine Breeding Laboratory	Do.
Research station (hog cholera), Ames, Iowa	Do.
Tuberculosis eradication	Animal disease control and erad. (Bu. An. Ind.).
Vesicular exanthema	Animal research; animal disease control and erad; erad. foot and-mouth disease (Bu An. Ind.).
Tallow, futures trading	Sal. and exp. (Commod. Exch. Authority).
Tallulah (La.), cotton insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Tangerine production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Tannin-bearing plants:	
Domestic production	Strat. and crit. agr. mats. research.
Extraction processes	Do.
Investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Tanning materials and process:	
Alum-retanning for the improvement of vegetable leathers.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Canaigre as a source of tannin	Do.
Sumac as a source of vegetable tannin	Do.
Tapeworms	Animal research (Bu. An. Ind.).
Targhee National Forest (Idaho)	Control of forest pests (For. Serv.).
Taste panel evaluation of soybean oils	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Taxation, farm, studies	Econ. inv. (Bu. Agr. Econ.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Taxonomy of insects:	
Beetles	Insect inv. (Bu. Ento. and Pl. Quar.).
Ectoparasites	Do.
Flies	Do.
Grasshoppers	Do.
Hymenoptera	Do.
Mites	Do.
Moths	Do.
Parasites	Do.
Scales	Do.
True bugs	Do.
Telegraphic market news service	Marketing services (Prod. and Mktg. Admin.).
Telephones, rural, loans for	Loans (Rural Elec. Admin.).
Television, market news service	Marketing services (Prod. and Mktg. Admin.).
Temple (Tex.), soil management research station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Tenancy, farm:	
Loans	Farmers' Home Admin.
Studies	Econ. inv. (Bu. Agr. Econ.).
Tenure improvement	Farmers' Home Admin.
Termites (white ants) affecting forest products	Insect inv. (Bu. Ento. and Pl. Quar.).
Terraces	Sal. and exp. (Soil Consv. Serv.); consv. and use of agr. land resources (Agr'l Consv. Programs.).
Investigations of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Teton National Forest (Idaho)	Control of forests pests (For. Serv.).
Textiles and clothing investigations	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Textiles. (*See* Animal fibers, Cotton, Fabrics, Fiber plants, Mohair, and Wool.)	
Thrips	Insect inv. (Bu. Ento. and Pl. Quar.).
Thurberia cotton weevil, quarantine	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Ticks:	
Affecting man and animals	Insect inv. (Bu. Ento. and Pl. Quar.).
Fowl	Do.
Rocky Mountain spotted fever	Do.
Tifton (Ga.):	
Cooperative field crop and vegetable investigations.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Corn insects laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Tile drainage investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Timber:	
Appraisal, national forests	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Conversion investigations	Sal. and exp., forest research (For. Serv.).
Cruising	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Deterioration	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Free use, national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Harvesting investigations	Sal. and exp., forest research (For. Serv.).
Heart rots	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Management plans, national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Mechanics and engineering investigations	Sal. and exp., forest research (For. Serv.).
Preservative treatment	Do.
Resources	Do.
Sales, national forests	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Stand improvement	Do.
Investigations	Sal. and exp., forest research (For. Serv.).
Strength tests	Do.
Survey(s):	
In connection with timber sales	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Studies	Sal. and exp., forest research (For. Serv.).
Utilization of national forest	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Values, costs, and returns	Sal. and exp., forest research (For. Serv.).
Tire studies, farm tractors and implements	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Tobacco:	
Barns	Do.
Beetle	Insect inv. (Bu. Ento. and Pl. Quar.).
Black shank disease of	Plant, soil, and agri. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.
Breeding	Do.
Burley, investigations	Do.
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cigar binder investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Crop insurance	Fed. Crop Ins. Corp.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Tobacco—Continued	
Curing, handling, and culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Dark air-cured investigations	Do.
Demonstration programs	Marketing services (Prod. and Mktg. Admin.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Export permits	Marketing services (Prod. and Mktg. Admin.).
Fertilizer:	
Distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Studies	Do.
Flea beetle	Insect inv. (Bu. Ento. and Pl. Quar.)
Flue-cured, investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Grading	Marketing services (Prod. and Mktg. Admin.).
Growing, curing, and handling	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insect laboratory:	
Clarksville, Tenn	Insect inv. (Bu. Ento. and Pl. Quar.).
Oxford, N. C	Do.
Richmond, Va	Do.
Insects	Do.
Market inspection service	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Marketing quotas	Agricultural adjustment programs (Prod. and Mktg. Admin.).
Maryland, production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Moth	Insect inv. (Bu. Ento. and Pl. Quar.).
Nicotin production for insecticides	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Physiological and biochemical studies	Do.
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Repayment to Commodity Credit Corporation for inspection.	Marketing services (Prod. and Mktg. Admin.).
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Standards	Marketing services (Prod. and Mktg. Admin.).
Statistics	Crop and livestock est. (Bu. Agr. Econ.); insect inv. (Bu. Ento. and Pl. Quar.); marketing services (Prod. and Mktg. Admin.).
Stocks and standards	Marketing services (Prod. and Mktg. Admin.).
Training programs	Do.
Turkish, culture in the Carolinas	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Toiyabe National Forest (Nev.), acquisition of forest lands within.	Acquisition of lands from national forest receipts, receipt limitation (For. Serv.).
Toledo (Ohio), pest and plant disease control machinery laboratory.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Tomato:	
Breeding	Do.
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer-distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Tools, farm	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Toxicity of soybean oil meal	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Toxicology:	
And physiology of insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Effects on plants and soils of:	
Fungicides	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Herbicides	Do.
Insecticides	Do.
Toxins, control of manufacture, importation, shipment, and marketing.	Animal disease control and erad. (Bu. An. Ind.).
Tractor investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Trade Agreements	Sal. and exp. (Foreign Agricultural Service).
Trails, forest, construction:	
Federal-aid road funds	Forest roads and trails (For. Serv.).
Forest Service general funds	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Transit-inspection service on plants and plant products.	Plant quar. (Bu. Ento. and Pl. Quar.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Transportation:	
Adjustment of freight rates	Marketing services (Prod. and Mktg. Admin.).
Farm products, economic study	Econ. inv. (Bu. Agr. Econ.).
Interstate, of livestock, control	Erad. foot-and-mouth disease; animal disease control and erad. (Bu. An. Ind.).
Obtaining adequate facilities	Marketing services (Prod. and Mktg. Admin.).
Transportation and storage:	
Citrus and other subtropical fruits	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fruits, physiological problems	Do.
Perishable products	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); Econ. inv. Bu. Agr. Econ.).
Vegetables, physiological problems	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Tree:	
Breeding	Sal. and exp., Forest research (For. Serv.).
Diseases:	
Blister rust:	
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
On national forests	Control of forest pests (For. Serv.).
Epidemic	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Forest	Do.
Ornamental	Do.
Park	Do.
Shade	Do.
Street	Do.
Forest:	
Planting, cooperation in	State and private forestry coop. (For. Serv.).
Nursery diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Studies	Sal. and exp., forest research (For. Serv.).
Planting	Consv. and use of agr. land resources (Agr'l Consv. Programs).
National forests	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Seed	Do.
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Trichinosis in swine, investigations of	Animal research (Bu. An. Ind.).
Trichomoniasis, bovine	Do.
Tristezia disease of citrus	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.)
Tropical:	
Forest experiment station, Rio Piedras, P. R.	Sal. and exp., forest research (For. Serv.).
Region, Rio Piedras, P. R	Sal. and exp., nat'l forest prot. and manage.; forest research (For. Serv.).
Woods	Do.
Truck crops:	
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Cutworms affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Estimates and statistics	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer:	
Distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Experiments	Do.
Ground water studies, Florida	Sal. and exp. (Soil Consv. Serv.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Irrigation, investigations on production of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Production, on muck soils	Do.
Regional Vegetable Breeding Laboratory	Do.
Statistical service	Crop and livestock est. (Bu. Agr. Econ.).
Wireworms affecting	Insect inv. (Bu. Ento. and Pl. Quar.).
True bugs, taxonomy	Do.
Tuberculosis:	
Eradication, livestock (including poultry)	Animal disease control and erad. (Bu. An. Ind.).
Research	Animal research (Bu. An. Ind.).
Tucson (Ariz.):	
Hemipterous insects laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Southwestern forest and range experiment station.	Sal. and exp., forest research (For. Serv.).
Tucumcari (N. Mex.), dry-land agriculture investigations at.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Engr.).
Tung nuts:	
Price-support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Tung oil:	
Price-support program	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Tung-oil tree:	
Culture, breeding, and disease	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Turf investigations	Do.
Turkeys:	
Dressed, grading	Marketing services (Prod. and Mktg. Admin.).
Improvement Plan, National	Animal research (Bu. An. Ind.).
Live, grading	Marketing services (Prod. and Mktg. Admin.).
Turkish tobacco, culture in the Carolinas	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Turnips:	
Production	Do.
Turpentine:	
Conversion to diabasic acids for lubricants and plasticizers.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
In southern pine region, study of methods	Sal. and exp., forest research (For. Serv.).
Inspection and grading	Marketing services (Prod. and Mktg. Admin.).
Market news service	Do.
Pines	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Price-support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Production and uses	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Rubber, synthetic, use of derivatives for	Do.
Standards	Marketing services (Prod. and Mktg. Admin.).
Statistics	Crop and livestock est. (Bu. Agr. Econ.).
Twenty-eight-hour law, enforcement	Animal disease control and erad. (Bu. An. Ind.).
Twin Falls (Idaho):	
Soil insects laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Sugar-beet insect laboratory	Do.
Sugar-beet investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Twine, expenditure of funds for purchase of	Sec. 405 (General Provisions).
2, 4-D, for weed control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Type maps	Sal. and exp., forest research (For. Serv.).
Types of farming, studies	Econ. inv. (Bu. Agr. Econ.).
Uinta National Forest (Utah), acquisition of forest lands within.	Acquisition of lands from National forest receipts, receipt limitation (Forest Service).
Umatilla irrigation agriculture station, Hermiston, Oreg.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Underground water, effect of erosion control on	Sal. and exp. (Soil Consv. Serv.).
Union Gap (Wash.):	
Truck crop insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Upper Darby (Pa.). Headquarters, region 1	Sal. and exp. (Soil Consv. Serv.).
Upstream engineering investigations	Do.
Urbana (Ill.):	
Corn earworm laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Corn storage investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regional Soybean Laboratory	Do.
Use capabilities	Sal. and exp. (Soil Consv. Serv.).
Utilization:	
Agricultural residues	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Alfalfa	Do.
Animal fats and oils	Do.
Apples	Do.
Bagasse	Do.
Berries	Do.
Cereals	Do.
Citrus fruits	Do.
Corn	Do.
Corncobs	Do.
Cotton	Do.
	Econ. inv. (Bu. Agr. Econ.); sal. and exp. (Bu. Human Nutri. and Home Econ.); sal. and exp. (Bu. Agr. and Indus. Chem.).
Cottonseed	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cucumbers	Do.
Culls and surpluses	Do.
Farm and food products	Econ. inv. (Bu. Agr. Econ.).
Farm power and machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Farm products	Sal. and exp. (Bu. Agr. and Indus. Chem.) sal. and exp. (Bu. Human Nutri. and Home Econ.).
Flaxseed	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Food, clothing and textiles investigations	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Forest, service	Sal. and exp., forest research (For. Serv.).
Fruits	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Honey	Do.
Insect enemies	Do.
Land	Econ. inv. (Bu. Agr. Econ.); sal. and exp.(Soil Consv. Serv.).
Maple products	Sal. and exp. (Bu Agr. and Indus. Chem.).
Milk	Sal. and exp. (Bu. Dairy Ind.).
Byproducts	Sal. and exp. (Bu. Agr. and Indus. Chem.).

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Utilization—Continued	
National forest timber	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Nutshells	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Oil seeds	Do.
Peanuts	Do.
Pectin	Do.
Pine gum	Do.
Potato	Do.
Culls and surplus	Do.
Poultry products	Do.
Rice	Do.
Rice bran	Do.
Soybeans	Do.
Sugarcane	Do.
Sweetpotato	Do.
Tobacco	Do.
Tung	Do.
Vegetables	Do.
Wool grease	Do.
Water:	
In irrigation	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Wheat	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Wood	Sal. and exp., forest research (For. Serv.).
Wood lignin	Do.
Wool	Sal. and exp. (Bu. Human Nutri. and Home Econ.); sal. and exp. (Bu. Agr. and Indus. Chem.).
Varietal resistance:	
Of cereal and forage crops to insects	Insect inv. (Bu. Ento. and Pl. Quar.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Of cotton to insects, laboratory, Stoneville, Miss.	Do.
Of crop plants to diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Vegetable(s):	
Breeding	Do.
Canned crops, production	Do.
Canned grading service	Marketing services (Prod. and Mktg. Admin.).
Chemical composition	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Chemistry and processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Chemistry and utilization studies	Do.
Coloring matter, chemical and physical	Do.
Cultivating and harvesting machinery	Plant, soil, and agr eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Curly-top: Disease	Do.
Diseases	Do.
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Fertilizer-distributing machinery	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Gardening	Do.
Handling, transportation, and storage	Do.
High-quality factors	Do.
Home canning	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Home freezing	Do.
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
Insect pest and plant disease control machinery.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Irrigation, investigations on production of	Do.
Laboratories:	
Prosser, Wash	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Puyallup, Wash	Do.
Leaf meals from wastes for animal feeds	Do.
Market:	
Inspection	Marketing services (Prod. and Mktg. Admin.).
News service	Do.
Pathology	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Marketing studies	Marketing services (Prod. and Mktg. Admin.).
Oils:	
Color grading	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Flavor stability	Do.
Shortenings	Do.
Physiological and biochemical studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Plant beds in the South	Do.
Preparation and preservation studies	Sal. and exp. (Bu. Human Nutri. and Home Econ.)
Preservation:	
By brining	Sal. and exp. (Bu. Agr. and Indus. Chem.).
By canning	Do.
By dehydration	Do.
By freezing	Do.
Processing investigations	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Vegetable(s)—Continued	
Production and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Regional Vegetable Breeding Laboratory	Do.
Seed-borne diseases	Do.
Seed investigations	Do.
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Spray residues, removal	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Standardization and grading	Marketing services (Prod. and Mktg. Admin.).
Storage:	
Diseases and physiology	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Structures and equipment	Do.
Transportation and storage:	
Engineering problems	Do.
Physiological problems	Do.
Utilization	Sal. and exp. (Bu. Human Nutri. and Home Econ.); sal. and exp. (Bu. Agr. and Indus. Chem.).
Laboratories:	
Albany, Calif.	Do.
Pasadena, Calif.	Do.
Raleigh, N. C.	Do.
Wyndmoor, Pa.	Do.
Variety handbook	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Vitamin and mineral content	Sal. and exp. (Bu. Human Nutri. and Home Econ.)
Weevils	Insect inv. (Bu. Ento. and Pl. Quar.).
Vegetation, methods in erosion control	Sal. and exp. (Soil Consv. Serv.); plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Vehicles, passenger motor:	
Field Service	Sec. 401 (General Provisions).
Velvet-bean culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Vesicular exanthema	Animal research; animal disease control and erad.; erad. foot-and-mouth disease (Bu. An. Ind.).
Vessels carrying export animals, inspection	Animal disease control and erad. (Bu. An. Ind.).
Vincennes (Ind.):	
Fruit insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Vinifera grape investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Virgin Islands agricultural program	Virgin Islands (O. E. S.).
Virus(es):	
Control of manufacture, importation, shipment, and marketing.	Animal disease control and erad. (Bu. An. Ind.).
Curly-top, vegetables	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases:	
Animal	Animal research; research facilities (Bu. An. Ind.).
Cereal	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Florists' crops	Do.
Fruit	Do.
Stone fruits	Insect inv. (Bu. Ento. and Pl. Quar.).
Vegetables	Do.
Virus-Serum-Toxin Act, enforcement	Animal disease control and erad. (Bu. An. Ind.).
Vitamin(s):	
B_{12} for feeds	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Concentrates from vegetables	Do.
Content of fruit and vegetable varieties and strains.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Fermentation residues	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fruits	Do.
Investigations	Sal. and exp. (Bu. Human Nutri. and Home Econ.).
Preservation during processing	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Waco (Tex.):	
Cotton insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Wage and wage rates, agricultural	Crop and livestock est. (Bu. Agr. Econ.); Sugar Act Program (Prod. and Mktg. Admin.).
Walla Walla (Wash.), soil and pea insects laboratory.	Insect inv. (Bu. Ento. and Pl. Quar.).
Walnut:	
Culture and improvement	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Warble, ox, animal-disease aspect	Animal research (Bu. An. Ind.).
Warehouse Act (administration)	Marketing services (Prod. and Mktg. Admin.).
Warehouses, Forest Service	Sal. and exp. (For. Serv.).
Warehousing:	
Beans	Marketing services (Prod. and Mktg. Admin.).
Broomcorn	Do.
Canned foods	Do.
Cherries, in brine	Do.
Cold-packed fruit	Do.
Cotton	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Warehousing—Continued	
Cottonseed	Marketing services (Prod. and Mktg. Admin.).
Dried fruits	Do.
Grain	Do.
Nuts	Do.
Peanuts	Do.
Seed	Do.
Sirup	Do.
Tobacco	Do.
Wool	Do.
Wasatch National Forest (Utah), acquisition of forest lands within.	Acquisition of lands from National forest receipts, receipt limitation (Forest Service).
Wastes:	
Barks, for tanning materials	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Farm, utilization	Do.
Paper and fiberboard from	Do.
Products, utilization	Do.
Wood	Sal. and exp., forest research (For. Serv.).
Water:	
Conservation	Sal. and exp., forest research (For. Serv.); sal. and exp (Soil Consv. Serv.); Water Facilities Act.
And utilization projects	Water consv. and util. projects (Soil Consv. Serv.).
Angostura, S. Dak	Do.
Buffalo Rapids I, Mont	Do.
Buffalo Rapids II, Mont	Do.
Buford-Trenton, N. Dak	Do.
Eden Valley, Wyo	Do.
Practices	Consv. and use of agr. land resources (Agr'l. Consv. Programs.).
Damage and utilization of flood	Flood prevention.
Disposal and use systems	Sal. and exp. (Soil Consv. Serv.).
Facilities	Water fac., arid and semiarid areas (Farmers' Home Adm.).
Irrigation:	
Conservation	Sal. and exp. (Soil Consv. Serv.).
Duty of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Flow	Sal. and exp. (Soil Consv. Serv.).
Measurement	Do.
Quality of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Storage underground	Sal. and exp. (Soil Consv. Serv.).
Utilization	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); sal. and exp. (Soil Consv. Serv.).
Resources, protection, development, and management.	Sal. and exp., nat'l forest prot. and manage. (For. Serv.).
Utilization	Econ. inv. (Bur. Agr. Econ.).
Projects	Water consv. and util. projects (Soil Consv. Serv.).
Water egulation investigations in the Everglades of Florida, Homestead, Fla.	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.); Sal. and exp. (Soil Consv. Serv.).
Water-flow retardation	Flood prevention.
Watermelons:	
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diseases	Do.
Watershed(s):	
Approved for flood prevention works of improvement:	
Buffalo Creek, N. Y	Flood prevention.
Colorado (Middle), Tex	Do.
Coosa, Ga	Do.
Little Sioux, Iowa	Do.
Little Tallahatchie, Miss	Do.
Los Angeles, Calif	Do.
Potomac, Pa., W. Va., Md., Va	Do.
Santa Ynez, Calif	Do.
Trinity, Tex	Do.
Washita, Okla., Tex	Do.
Yazoo, Miss	Do.
Experimental	Sal. and exp. (Soil Consv. Serv.).
Protection studies	Sal. and exp., forest research (For. Serv.).
Surveys for flood prevention	Flood prevention.
Water-spreading dams, dikes, and structures	Sal. and exp. (Soil Consv. Serv.).
Waterways, sodded	Do.
Investigations of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Wax studies, production, composition, etc.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Weeds, control investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Weevil:	
Fruit and nuts	Insect inv. (Bu. Ento. and Pl. Quar.).
Grains and legumes	Do.
Plants	Do.
Tree	Do.
Vegetables	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Wenatchee (Wash.):	
Fruit-production investigations	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Transportation and storage investigations	Do.
Weslaco (Tex.), citrus processing laboratory	Sal. and exp. (Bu. Agr. and Indus. Chem.).
West Indies (P. R.), tropical forest experiment station.	Sal. and exp., forest research (For. Serv.).
Western Montana Research Center, Missoula, Mont.	Do.
Western Regional Research Laboratory, Albany, Calif.	Sal. and exp. (Bu. Agr. and Ind. Chem.).
Western yellow tomato blight	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils and Agr. Eng.).
Wheat:	
Baking characteristics of wheat varieties	Do.
Baking studies	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Black-stem rust:	
Control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Breeding	Do.
Chemistry and utilization	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Cold-resistant winter	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Crop insurance	Fed. Crop Ins. Corp.
Culture	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Diastase	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Enzyme studies	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Estimates of production	Crop and livestock est. (Bu. Agr. Econ.).
Exportation	Removal of surplus agri. commod. (Prod. and Mktg. Admin.).
Foot rot	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Futures trading	Sal. and exp. (Commod. Exch. Authority).
Hard red winter, investigations of	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Insects	Insect inv. (Bu. Ento. and Pl. Quar.).
International agreements	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Microscopic method of determining milling quality.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Milling characteristics of wheat varieties	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Indus. Chem.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Quality, baking technique	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Rust	Do.
Scab	Do.
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Smut	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Standard research	Marketing services (Prod. and Mktg. Admin.).
Stem rust	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Stinking smut	Do.
Supervision of inspection	Marketing services (Prod. and Mktg. Admin.).
Warehousing	Do.
Winter killing	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Wheeler-Case projects	Water consv. and util. projects (Soil Cons. Serv.).
White fly, citrus	Insect inv. (Bu. Ento. and Pl. Quar.).
White fringed beetle:	
Control	Insect and plant disease control (Bu. Ento. and Pl. Quar.).
Research	Insect inv. (Bu. Ento. and Pl. Quar.).
White pine:	
Blister rust:	
Control:	
On national forests	Control of forest pests (For. Serv.).
Operations, general	White pine blister rust (Control of Forest Pests) (Bu. Ento. and Pl. Quar.).
Leadership, all projects	Do.
Quarantine	Do.
Research	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Forest management	Sal. and exp., forest research (For. Serv.).
Tree diseases	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Weevil	Insect inv. (Bu. Ento. and Pl. Quar.).
Whittier (Calif.):	
Citrus insect laboratory	Do.
Truck crop insect laboratory	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Wild garlic, control	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Wildlife:	
Effect on range forage	Sal. and exp., forest research (For. Serv.).
Management	Sal. and exp. (Soil Consv. Serv.).
Plans	Do.
Protection of resources	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Surveys	Do.
Wild-plants, improvement and utilization	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Willard (N. C.), dairy experiment station	Sal. and exp. (Bu. Dairy Ind.).
Wind erosion control	Sal. and exp. (Soil Consv. Serv.).
Studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Windbreaks, farm:	
Northern Great Plains (Mandan, N. Dak.)	Do.
Southern Great Plains (Woodward, Okla.)	Do.
Winter cover crops in South	Do.
Winter cover crop seeds, price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Winter Haven (Fla.), citrus processing laboratory	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Winter range	Sal. and exp., nat'l. forest prot. and manage. (For. Serv.).
Wireworms affecting truck crops	Insect inv. (Bu. Ento. and Pl. Quar.).
Wood:	
Accelerated drying of	Sal. and exp., forest research (For. Serv.).
Air seasoning	Do.
Antishrink treatment	Do.
Blending	Do.
Blue stain	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, Agr. and Eng.).
Boxes	Sal. and exp., forest research (For. Serv.).
Cellulose	Do.
Chemistry	Do.
Colloids	Do.
Compregnated	Do.
Compression	Do.
Construction	Do.
Containers	Do.
Crates	Do.
Defects	Do.
Deterioration	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Distillation	Sal. and exp., forest research (For. Serv.).
Drying, accelerated, of	Do.
Dry rots	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Extractives	Sal. and exp., forest research (For. Serv.).
Finishing	Do.
Fire tests	Do.
Foreign tests	Do.
Glue	Do.
Growth	Do.
Inflammability	Do.
Kiln drying	Do.
Laminated construction	Do.
Lignin investigations	Do.
Lot, farm, research	Do.
Moisture content	Do.
Painting	Do.
Plastic	Do.
Plywood	Do.
Preservative treatment	Do.
Products:	
Conditioning	Do.
Development	Do.
Properties	Do.
Protection	Do.
Pulp	Do.
Sapstain-control studies	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Seasoning	Sal. and exp., forest research (For. Serv.).
Spliced	Do.
Strength of	Do.
Structure	Do.
Tropical:	
Management	Do.
Tests	Do.
Utilization	Do.
Waste, utilization	Do.
Weight	Do.

Index of projects covered by items in Agricultural Appropriation Act for 1954—Con.

Subject	Appropriation item
Woodland:	
Farm	Sal. and exp., forest research (For. Serv.).
Management	Sal. and exp. (Soil Consv. Serv.).
Planting	Do.
Windbreaks	Do.
Woodward (Okla.):	
Dairy experiment station	Sal. and exp. (Bu. Dairy Ind.).
Dry-land agricultural station	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Wool:	
Chemistry and utilization of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Fabrics:	
Selection, use and care	Sal. and exp. (Bu. Human Nutri. and Home Econ.)
Serviceability of	Do.
Fibers	Animal research (Bu. An. Ind.).
Grades, authority to sell	Marketing services (Prod. and Mktg. Admin.).
Grease, chemistry and utilization of	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Market news service	Marketing services (Prod. and Mktg. Admin.).
Marketing studies	Econ. inv. (Bu. Agr. Econ.).
Price support program	Commod. Credit Corp. (Prod. and Mktg. Admin.).
Scouring	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Situation reports	Econ. inv. (Bu. Agr. Econ.).
Standardization studies	Marketing services (Prod. and Mktg. Admin.).
Testing Services	Do.
Tops, futures trading	Sal. and exp. (Commod. Exch. Authority).
Warehousing	Marketing services (Prod. and Mktg. Admin.).
Wooster (Ohio), oriental fruit moth parasite laboratory.	Insect inv. (Bu. Ento. and Pl. Quar.).
Working capital fund	Working capital fund (Off. Secy.); Working capital fund (Agr. Res. Center).
Worms:	
Parasitic, affecting animals	Animal research (Bu. An. Ind.).
Treatment for animals	Do.
Worthington (Ohio), forest insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Wyndmoor (Chestnut Hill, Philadelphia, Pa.):	
Eastern Regional Research Laboratory	Sal. and exp. (Bu. Agr. and Indus. Chem.).
X-disease of cattle (hyperkeratosis)	Animal research (Bu. An. Ind.).
X-ray studies in relation to effect on plants	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Yakima (Wash.), apple insect laboratory	Insect inv. (Bu. Ento. and Pl. Quar.).
Yearbook of Agriculture	Sal. and exp. (Office of Information).
Yeast(s):	
Development of industrially important strains.	Sal. and exp. (Bu. Agr. and Indus. Chem.).
Feed produced from fruit wastes	Do.
For zymonic acid	Do.
Yellow tomato blight, western	Plant, soil, and agr. eng. research (Bu. Pl. Ind., Soils, and Agr. Eng.).
Yucca, investigations of	Do.
Yuma (Ariz.), irrigation agricultural station	Do.
Zoning, rural, legislation	Econ. inv. (Bu. Agr. Econ.).
Zymonic acid from yeasts	Sal. and exp. (Bu. Agr. and Indus. Chem.).

LIST OF WITNESSES

	Page
Aplin, R. D	1937, 1991
Bagnell, D. B	1501
Beach, R. P	1567, 1779
Bercaw, L. O	1923
Berger, H. W	1991
Blackburn, K. W	1965
Brainard, J. W	1518
Braswell, M. B	1567
Brown, C. B	1850
Bucy, C. W	1965
Butler, K. A	2055
Clarkson, Dr. M. R	2031, 2037, 2055
Cliff, E. P	2031
Coke, J. E	1779, 1850
Colby, M. E	1518
Currie, D. A	1501
Dorny, C. H	1850
Dykes, J. C	1850
Evans, G. E	1518
Finney, W. W	1923
Fretts, C. A	1518
Gifford, G. J	1991
Gordon, H. H	1567
Grant, C. L	1518
Herrell, H. G	2031, 2037
Hoyt, A. S	2037
Hunt, J. M	1779
Kauffman, R. R	1501
Lennartson, R. W	1567
Loos, K. D	1965
Loveridge, E. W	1850
Manwaring, H. L	1567
Mason, I. J	2031
McCormack, J. H	1937
Mehl, J. M	1501
Michelson, C. E	2062
Miller, Dr. A. R	2055
Nikkel, E. H	1518
Olmstead, N A	2055
Pals, C. H	2055
Popham, Dr. W. L	2031, 2037
Rawcombe, W. E	1965
Reid, T. R	1991
Richards, Preston	1567
Ritchie, Fred	1779
Roberts, R. S	1501, 1567, 1779, 1850, 1937, 1965, 1991, 2031, 2037, 2055, 2143
Rossiter, F. J	2062
Rowe, W. H	1518
Phillips, G. R	1850
Salmond, Gordon	1850
Salter, R. M	1850
Shanklin, J. F	2031
Shaw, R. R	1923
Short, R. E	2062
Simms, Dr. B. T	2037
Shulman, E. M	1965
Syfrig, Mrs. M. W	2037
Thatcher, A. B	1991
Walker, R. H	2062
Webster, R. L	1937
Wheeler, J. C	1923, 2062
Williams, D. A	1779
Wilm, H. G	1850
Yates, Galen	1937

INDEX

A

Agricultural conservation program: Page
Administrative savings, estimated 1822
Bonus payments 1830
Budgets, 1953 and 1954, justification for 1811, 1824, 1839
Conservation costs, portion represented by ACP assistance 1849
Credit value of conservation practices indicated as needed by farmers 1834, 1846
Farm and national income 1835
Federal Government's commitment under announced program 1816
Flood prevention, funds for acceleration of 1848
Language changes 2149, 2150
Lime and fertilizer, needs for 1845
Minerals, assistance with respect to 1844
Permanent and semipermanent programs 1833, 1838
Procedures under 1593, 1796
Responsibility for saving and restoring the soil 1836
Unused funds, policy of reallocating of 1599, 1810, 1818
Winter cover crops 1844
Agricultural production program, language change 2150
Agricultural Research Administration, language changes 2143
Aircraft, replacement of 2161
Animal Industry, Bureau of 2055
Investigation, report on 2055

C

Committees, State and county. (*See* Production and Marketing Administration, this index.)
Commodity Credit Corporation 1635
Administrative expenses 1575, 1680
Price support activities, cost of 1595
Capital impairment 1576
Consumer subsidies, expenditures during war for 1646
Import controls on dairy products 1676
Investigation of 1657
Major programs 1644
Milk production, increase in 1662
Price support:
Butter:
Inventory of 1661
Storage stocks of 1663
Surpluses, disposition of 1653, 1665
Corn 1667
Cottonseed oil 1674
Dairy producers, benefits to 1654
Operations, cost of 1644
Soybean oil 1674
Stocks, donations of 1675
Subsidies and emergency investment, comparison of cost with 1652
Tobacco, Maryland 1671
Volume of each commodity handled, net profit or loss, and quantity 1656
Wheat 1669
Programs, proposed changes in methods of carrying out 1573

Page

Commodity Exchange Authority 1501
Authority 1512
Business machines, use of 1515
Butter and egg market 1517
Commodity exchanges and futures trading 1509
Fats and oils trading 1516
Provisions of act 1513
Salaries and expenses 1502
Violations and compliance proceedings 1516
Wool tops market 1516
Conservation and use of agricultural land resources (*see also* Agricultural conservation program, this index) 1779

E

Entomology and Plant Quarantine, Bureau of 2037
Japanese beetle control 2041
Other programs 2050
Phony peach and peach mosaic diseases 2045, 2049
Revised estimates, changes and reasons therefor 2042
Sweetpotato weevil 2045, 2048
Eradication of foot-and-mouth and other contagious diseases of animals and poultry, language change 2152

F

Federal Crop Insurance Corporation 1518
Administrative cost 1554, 1558
Administrative Division, employees in 1560
Beans and citrus 1535, 1550, 1556
Business machines, use of 1565
Corn insurance 1532, 1538
Cotton insurance 1533, 1539
Experience charts 1529
Films and motion pictures 1564
Flax insurance 1533, 1539, 1554
Multiple crop insurance 1528, 1534, 1539, 1555
Operating and administrative expenses 1518
Paperwork 1545
Premiums, indemnities, and loss ratios 1530
Tobacco insurance 1532, 1538
Wheat insurance 1531, 1537
Flood prevention 1850
Flood control:
Acts, improvements under 1905
Appropriations, comparison with 1910
Delegation of responsibility, provisions of flood control Act for 1909
General basin investigation 1870
Kansas-Missouri flood disaster, 1951 1914
Language changes 2148
Organization, changes in 1860
Preliminary examinations and surveys 1873
Decrease in funds, effect of 1903
Projects, reduction under revised budget 1911
Public Works Committee, recommendations by 1902
Secretary and Solicitor, transfers to offices of 1919
Soil conservation, relation to 1865
Trinity River flood-control program 1921
Watersheds:
New, location and authority for 1913
Soil erosion on new 1915
Unapproved projects, status of 1916
Foreign Agricultural Service 2062
Administration, Division of 2137
Agricultural exports and amounts financed by aid programs, 1951–52 2100
Authority 2141
Commodity credit barter 2103

Foreign Agricultural Service—Continued — Page
- Dairy products, foreign markets for — 2116
- Economists — 2138
- Farm income and value of agricultural exports — 2117
- Films and motion pictures — 2138
- Foreign Reporting Services, Division of — 2113
- Information Division — 2136
- MSA and TCA, transfer of funds from — 2132
- Personnel outside the United States:
  - Agriculture employees — 2082
  - Foreign Service, agricultural officers in — 2096
  - Other agencies, employees paid from funds allocated or advanced from — 2086
  - Specialists, agricultural — 2078
- Positions, need for additional — 2135
- Price-support commodities, world price situation and tariffs on — 2118
- Problems in requesting information from the field — 2110, 2114
- Projects not included in budget request — 2141
- Purpose of — 2107
- Reporting functions — 2109
- Salaries and expenses — 2062
- Section 32 funds, use to stimulate foreign trade in dairy products — 2124, 2142
- Sections 104 and 22, application and effects of exercising — 2125
- Trade promotion, mechanics of — 2129

Forest pests, control of — 2031
- Language changes — 1990, 2153
- White pine blister rust — 2031

Forest Service, language changes — 2144

G

General provisions — 2143, 2153
- Chauffeurs, deletion of language on — 2155
- Information work, personnel in — 2157
- Motor vehicles — 2153
- Return of funds to Treasury under section 412 — 2159
- Vacancies, deletion of language on filling of — 2155

I

Information, Office of — 1937
- Administrative services — 1962
- Authority — 1964
- Farm and Home Hour — 1963
- Farmers' Bulletins — 1950
- Language changes — 2151
- Salaries and expenses — 1937
- Television, increase for — 1955
- Yearbooks — 1948

International Wheat Agreement — 1576, 1774

L

Language changes — 1990
- Agricultural conservation program — 2149, 2150
- Agricultural production program — 2150
- Agricultural Research Administration — 2143
- Eradication of foot-and-mouth and other contagious diseases of animals and poultry — 2152
- Flood prevention — 2148
- Forest pests, control of — 1990
- Forest Service — 2144
- Information, Office of — 2151
- Meat inspection — 2144
- Rural Electrification Administration — 2151
- Soil Conservation Service — 2149

Library — 1923

M

Page

Marketing services 1574, 1725
Commodity Credit Corporation, repayment to 1757
Fees and revenue 1758
Market News Service 1756
Appalachian apple areas 1756
Expansion, need for 1760
South Carolina 1759
Salaries and expenses 1725
Meat inspection, language change 2144

N

National school lunch program 1574, 1689
Authority for 1704
Cash payments to States 1710
Commodities distributed, value of 1701, 1715
Cost of program 1717
Federal assistance, 1949–53 1719
Federal contribution, 1953 1705
Federal, State, and local contributions 1720
Funds, 1952, source of 1697
Importance of 1708, 1722
Point 4 and similar programs, Federal contribution to 1709
Reduction of Federal support, effect of 1711, 1724
Schools and children involved, number of 1699
State and local contributions, 1953 ..... 1702, 1705

P

Personnel, number estimates for 2013
Production and Marketing Administration 1567
Acreage allotments and marketing quotas, funds for 1573
Administrative and information personnel 1627
Administrative Services, Office of 1613
Advisory committee, formulation of programs by 1604
Budgetary review 1572
Budget, Office of the 1616
Business machines, use of 1630
Committees, State and county:
ACP program, procedures under 1593
Administrative costs of 1608
Changes in operation of 1577, 1589, 1610
Committeemen, payments to 1589
County administrative officer, selection of 1578
County committeemen, election of 1590
Farmer contacts 1829
Loans approved by 1592
Programs, procedure for developing 1796
Economists 1627
Emergency hay program 1611
Films and motion pictures 1622, 1631
Fiscal branch 1619
Information Services, Office of 1621
Legislative authority 1631
Organizational changes 1577
Organization of 1583
Personnel Management, Office of 1623
Salaries and expenses, revised estimates for 1596
San Francisco office, closing of 1598
Stable prices for farmers, problem of maintaining 1600

R

Removal of surplus agricultural commodities 1574, 1762
Revised budget estimates, comparative tables on 2161
Rural Electrification Administration, language changes 2151

S

	Page
Secretary, Office of the	1991
Authority	2019
Budget and Finance, Office of	2012
Economists	2018
Graduate school	2019
Hearings Examiners, Office of	2016
Personnel, Office of	2012
Plant and Operations, Office of	2015
Positions, functions and assignment of	2006
Reclassifications	2029
Requisition, cost of processing	2014
Salaries and expenses	1991
Section 32 funds	1574, 1762
Authority	1705
National school lunch program, funds used for	1697, 1717, 1721
Soil Conservation Service, language changes	2149
Solicitor, Office of the	1965
Acreage control and allotments and marketing quotas	1982
Authority	1989
Field activities	1987
Marketing and regulatory work	1983
Personnel:	
Administrative	1985
Field personnel	1987
Reduction in	1980
Upgrading of positions	1988
REA, legal work for	1984
Salaries and expenses	1965
Sugar Act program	1574, 1681

○